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# NAVAL POSTGRADUATE SCHOOL

## Monterey, California



# THESIS

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EFFECT ANALYSIS OF U.S. MILITARY  
AID TO THE REPUBLIC OF KOREA

by

Tae Young Choi  
and  
Su Gyo Lee

June 1989

Thesis Advisor: Richard A. McGonigal

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Effect Analysis of U.S. Military Aid  
to the Republic of Korea

by

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Submitted in partial fulfillment of the  
requirements for the degree of

MASTER OF SCIENCE IN MANAGEMENT

from the

NAVAL POSTGRADUATE SCHOOL  
June 1989

## **ABSTRACT**

During the last forty years, the U.S. and Korea have maintained a close and friendly relationship. Especially on the military side, the U.S. has dedicated much to Korean military development. The U.S. has also played the role of constrainer to keep North Korea from attacking South Korea.

On the other hand, because of Korean economic development and improvement of its self defense capacity, that relationship has begun to change.

So, through this paper, we will show the changing procedures of U.S. policy in aid to Korea including military support. Also, even though very few people think negatively about the U.S.-Korean relationship, we will describe the need for continued U.S. assistance to Korea; how it is in the interests of both countries to work together and to review what the U.S. has done for Korea, how they have changed, and what the future problem is most likely to be.

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## I. INTRODUCTION

After opening the door to America in 1882, Korea developed its relationship with the United States. Especially after World War II, the relationship between these two countries improved dramatically, both militarily and economically.

The U.S. has been an outstanding partner to Korea. However that aid has been changed according to the development of Korea. The assistance policy was changed and the amount of aid was reduced gradually. Also, through the U.S. aid, Korea developed in almost all areas. Especially, on the military side, Korea improved its organization system and management financing, technology and equipment. Accordingly, this paper attempts to find how much the U.S. has aided Korea both militarily and economically, how that aid has changed and, also using those data it is intended that changes can be seen by using the regression analysis method.

Next, there are several reasons why Korea still needs the U.S. aid. Some reasons flow from Korea's internal problems, some of them come from external or international

problems. For example, the Soviet military expansion in the far east has become a serious threat to Korea as well as to U.S. power in the Pacific.

In the future, the Pacific region may become more important than any other area. So, controlling the Pacific area is necessary to any country who has or wants world wide interest. The purpose of this thesis is first, to find how much U.S. aid has been provided to Korea and its affect and, second, how that policy has changed over time. Finally, we will discuss why aid to Korea remains in the best interest of both countries.

In Chapter 3, we discuss a general history of the Korea-U.S. relationship and how their relationship developed. Also we show how much aid Korea receives from the America.

In Chapter 4, we discuss the amounts and how the U.S. aid changed. A regression analysis is used to asses the significance of that change. Using those data, the changes are analyzed. As a result, it appears that aid was reduced and finally almost cut.

Meanwhile, in Chapter 5, evidence is presented showing that Korea still needs U.S. aid. This chapter includes a discussion of why the Korean peninsula is important to all countries in that area; its geo-political significance, the

relationship between superpowers, the economic development in Pacific area, and some other factors while support the importance of the Korean peninsula.

Next the role of U.S. forces is examined in the role of a power balance and a war constraint. Also, the military balance on Korean peninsula, and Soviet military expansion in this area is discussed.

In conclusion, the view that U.S. aid to Korea is still necessary and important and is in the interests of both countries is explored and weighed.

## II. METHOD OF STUDY AND ORGANIZATION

The basic methodology of this study is descriptive. This involves the collection and evaluation of facts which depict relationships in the past. This paper is basically not a comparative study, but it makes a comparison between countries where it is available to help the reader's understanding. This paper describes the general relationship between U.S.- Korea, past changes in their relationships and potential for the future, by using specific illustration.

The U.S. has been Korea's best and biggest partner of the nations with which Korea has enjoyed economic and military development. It is necessary for both countries to review their relationship to each other. But in pursuing the changes in the past and predicting the future, there is no special methodology to show this. Therefore this study basically will be limited to an historical and descriptive approach. But at the time when the Aid changes, a regression method will be used to assess the total impact of troop withdrawal. A major problem in finding data for this paper is that of limited citations which describe military

factors. Furthermore, some classified materials and some sensitive political matters are not allowed to be made public.

This study is organized in the following manner. Chapter III describes the general relationship and U.S. aid to Korea in the past. More things will be shown of the Korean civil war period. Actually, after World War II, the U.S. has dedicated itself as a international peacekeeper. It was the same case in Korea. This chapter examines the U.S. as a strong partner to Korea development.

Chapter IV reviews some numerical data since 1940 and shows its changes. In this chapter, to show the changes, the regression method will be used.

Chapter V discusses the subjective factors about why continued U.S. support to Korea is necessary and in the interest of both countries. In this chapter, using the descriptive method, we will show the significance of the Korean peninsula, the power balance between North and South and Soviet military expansion in this area.

Chapter VI describes the role of the U.S. forces in the present situation. Also using the descriptive method, this chapter discusses why keeping U.S. forces in Korea will be

necessary for Korea itself as well as for those nations around Korea.

Chapter VII discusses the present questions such as the burden sharing problem, the commanding authority, and the general opinion of the Korean people toward U.S. forces in Korea at the point of their withdrawal.

Finally, Chapter VIII suggests some ideas for a continued friendly relationship in the future. In spite of the immense contributions to Korea, by the United States, there has been a rising concern about the status of the relations between two countries. In this concluding chapter, we'd like to suggest a few ideas to enhance harmony and cooperation between the U.S. and Korea.



### III. THE DEVELOPMENT OF THE U.S.- KOREA SECURITY RELATIONS

#### A. GENERAL

Historically, Korea has long had a strategic importance out of proportion to its size. Great powers continue to have an interest in Korea that reflects their respective national self-interests. However, while the changing international environment in the decade of 1960-70 has lessened the potential violence, none of these powers can exercise "control" over the policies of their Korean ally. Too often, Americans think of Korea only in a vacuum, emphasizing only the military balance between North and South Korea. The crucial point, however, is that developments in Korea affect all of East Asia involving several powers and are potentially destabilizing to the present international equilibrium. [Ref. 1:p.7]

This section will concentrate on describing the development of Korea-U.S. relations mainly concerning security and economic factors from a South Korean perspective. The transition of the U.S. Aid to Korea will be discussed based on the statistical materials.

In the post-World War II period, Korea's importance has stemmed from its geo-political position at the intersection of conflicting great power interests in East Asia. In this period, the United States and the Soviet Union became the central actors. Throughout the post-war period, however, the United States has vacillated in its appreciation of Korea's strategic importance, and its estimation of Korea's value in terms of U.S. global strategy. United States played a great role not only in developing Korean economy but also in the development of the Korean military by providing massive amounts of support.

#### **B. U.S. SECURITY INTERESTS & OBJECTIVES IN KOREA**

The U.S. security interest in Korea has evolved from an American "Japanocentric" strategy which has sought to maintain an effective and stable balance of power and credible deterrent force to contain Sino-Soviet expansion in East Asia. As a link of this strategy, U.S. policy-makers have perceived the Korean peninsula as a buffer zone for the defense of U.S. core/ security interests in Japan and the Western Pacific region, primarily because of Korea's geo-strategic position visa-vise Japan and U.S. bases in the Western Pacific. [Ref. 2:pp. 23-31]

In the cold war bipolarity, the U.S. strongly asserted its ideological core interest, i.e., defending non-Communist states from Communist aggression. This interest became a predominant determinant of U.S. security policy toward Korea. Since the U.S. intervened to defend the ROK from North Korean aggression in June 1950, the U.S. has asserted its core interests in the ROK and has sought to achieve the following policy objectives and goals. First, it has assisted the ROK to maintain its security and stability and to improve the general welfare of the Korean people. Second, it has deterred renewed North Korean aggression by providing the military and economic assistance to the ROK. Third, it has encouraged South Korea in regional cooperation to promote security, stability and living standards. Fourth, it has prevented any single power from dominating the Korean peninsula, thus maintaining a balance of power in Northeast Asia, which contributes to peace and stability in East Asia. Finally, it has continued to support Korean reunification by peaceful means as a long range goal by promoting favorable conditions for Korean political integration process.

U.S. strategic objectives and goals in Korea may be divided into two categories: short-range and medium/long-

range goals. The short-range goal of U.S. policy in Korea may be identified as the protection of South Korean territorial integrity and political independence. The medium/long-range goal may be the promotion of favorable conditions for Korean reunification by easing tensions in Northeast Asia, particularly by creating an international climate conducive to inter-Korean detente. [Ref. 3:p. 225]

The U.S. government has used various policies and actions to attain these goals since the birth of the ROK in 1948.

### **C. The U.S. MILITARY AID TO KOREA**

#### **1. Occupation, and U.S. Disengagement (1945-50)**

The end of 36 years of Japanese sovereignty in 1945 did not result in a return to a unified Korea ruled by Koreans. General Order No 1, approved by the governments of the United States, the United Kingdom, the U.S.S.R., and China, had legitimized the temporary partition of Korea. [Ref. 4:pp. 25-26]

In accordance with this agreement, the Soviet Union, which entered the war with Japan eight days before the Japanese surrender, promptly dispatched troops to their assigned - north of the 38th Parallel, and were equally prompt in establishing their own government. The Soviet move into Korea closely paralleling her actions in Eastern

Europe helped to establish the Korean communists as the leaders in the North.

As the cold war developed, neither the United States nor the Soviets were willing to meet the terms of the other concerning the establishment of a national government in Korea. Both major powers began to favor and support Koreans within their respective zones. Gradually two completely political, social, and economic systems took root in Korea. Thus, Korea paralleled the path taken in Germany with separate and hostile governments under tutelage by antagonistic and rival major powers, rather than the Austrian pattern with a single national government under joint great power authority. [Ref. 5:pp. 170-171]

Prior to 1945, American concern with and involvement in Korea was minimal. During the postwar period, according to U.S. strategic doctrine, Korea was not considered very important. The U.S. approach to Korea had been somewhat ambivalent before the outbreak of the Korean war. The American occupation Army had provided some arms and training to the South Koreans. In January, 1946 the National Constabulary was established with a cadre of Korean officers and men who had served with Japanese armies in Japan, Manchuria, and China. At that time the total strength of



the Army constituted 5 divisions comprised of about 50,500 officers and men. The Korean Coast Guard created in 1945, and equipped with only a few PT (Patrol & Torpedo) boats, became the basis for the Korean Navy. The Air Force developed from the National Constabulary's Reconnaissance Unit in October, 1949. [Ref. 6:pp. 444-447] Despite official endorsement of Korean independence, the U.S. restricted its military objectives throughout this period to the creation of a minimal, internal security force. The U.S. provided the ROK army only light weapons that could not be used for offensive purposes. The ROK army had to meet the Korean War with a handful of L-4 and L-5 light planes and 10 C-4 propeller-driven non-combat aircraft. As a result, the Republic of Korea Army, which numbered less than 100,000 men by mid-1950, was armed with weapons for a force only half that size. It had no tanks, no medium or long range artillery, no large mortars, and not even a single combat aircraft. Despite congressional approval of nearly \$11 million of military aid in March 1950, no additional direct military assistance reached Seoul until after the Korean War began. [Ref. 7:p. 35]

Two events in 1950 focused United States attention on the possibility of external threats in the Far East: the



Sino-Soviet Treaty of Friendship and the outbreak of the Korean War. The Communist victory in the Chinese civil war and subsequent alliance with the Soviet Union forced the United States to formulate a new Far Eastern policy. The Joint Chiefs of Staff had recommended to President Truman in September 1947 that Korea offered little strategic value to the United States. [Ref. 8:p. 13] Even General MacArthur considered Korea militarily indefensible and recommended a United States pullout as soon as sensible. [Ref. 9:p. 179] Therefore, Secretary of State Dean Acheson's famous speech in January 1950 gave voice to a policy which his president had already approved a number of years earlier. Though Acheson did not write off Korea as completely as has been charged, he did clearly place it outside the area of primary U.S. defense interests in Asia. [Ref. 10:pp. 357-364] Such public statements (including a similar one by General MacArthur a year earlier), combined with the removal of United States troops, made it appear to the Soviets and the North Koreans that the United States had limited military concern over Korea. [Ref. 5:p. 171]

## **2. The Korean War and U.S. Reinvolvement (1950-1968)**

When North Korea invaded the South Korea on 25 June 1950, Washington changed its views of Korea's strategic

value in Northeast Asia. The Korean War dramatically reversed U.S. security policy to Korea, both by creating an awareness of the strategic importance of Korea to U.S. containment objectives and by instilling a general "brothers-in-arms" sentiment.

As a result of the North Korean invasion, South Korea became not only a central part of the U.S. "forward defense zone" of the Far East but also a trusted and valued ally. The conflict changed the American strategy for stability from primarily providing economic aid and limited military assistance to providing massive military assistance including arms and equipment to South Korea's military forces and the direct employment of United States combat forces.

Throughout the war, however, U.S. priorities remained in the supply of its own troops. By providing weapons to the Koreans, the Soviet Union and the United States were implicitly and explicitly lending support. Both recipients became heavily dependent upon their respective suppliers.

In the decade and a half thereafter, the U.S. assumed a dominant role in Korean military, economic, and political development in a relationship characterized as

much by its closeness as by its fundamental asymmetry. [Ref. 11:pp. 56-82] Major arms transfers to the Republic of Korea (ROK) increased dramatically over the previous period.

As can be seen from Table 1, this represented more than 27 percent of all U.S. military aid given to East Asia and the Pacific during this period, and over 30 percent in the period before Vietnam started to absorb increasing amounts of U.S. assistance. In the process of assuming such a large responsibility, the U.S. played a major role in describing the size, configuration, and weaponry of the ROK military forces. It also dictated the contents of the deterrence strategy. [Ref. 7:pp. 36-39] These transfers included F-5 fighters and F-86 Sabre fighter-bombers, 203mm howitzers, and advanced missiles such as the Nike Hercules, Hawk, and Honest John. Including Military Assistance Program (MAP) funding and credit assistance, U.S. military aid to Korea between 1950 and 1968 totaled some \$2.5 billion.

From a fiercely-maintained ceiling of \$15 billion (actual appropriations approved by the House of Representatives on the eve of the Korean War totaled only \$13.8 billion for fiscal 1951), military spending more than tripled (to nearly \$50 billion in 1953) before leveling off

**TABLE 1. U.S. MILITARY ASSISTANCE TO THE EAST ASIA AND THE ROK (1949-1968)**

(millions of dollars)			
Fiscal Year	Total Military Assistance to Korea	Total Military Assistance to East Asia	% to Korea
1949-1952	11.7	160.7	7.2
1953-1957	527.8	2,403.7	21.9
1958	331.1	627.8	52.7
1959	190.5	606.7	31.4
1960	190.2	501.6	37.9
1961	192.2	495.4	38.8
1962	136.9	523.3	26.2
1963	182.5	651.8	28.0
1964	124.3	563.7	22.1
1965	173.1*	648.9	26.7
1966	153.1*	535.6	28.6
1967	149.8*	673.0	22.3
1968	197.4*	1,026.9	19.2
Total 1953-1961	1,431.8	4,635.2	30.9
Total 1949-1968	2,560.6	9,419.1	27.2

\*Excludes military assistance funding related to South Korean forces in Vietnam.

Source: SIPRI. *The Arms Trade with the Third World* (London: Paul Elek Limited. 1971). pp146-147.

at roughly \$40 billion a year thereafter. Along with this increase came a buildup of U.S. military manpower, and a rapid rise in the rate of weapons production. Along with this increase also came a new American commitment to a strategy of deterrence. [Ref. 12:pp. 47-122]

With this determination came a major reinvolvement of the United States in Korea. Most dramatic, of course, was U.S. intervention in the Korean War. The U.S. equipped the South Korean forces, which burgeoned from less than 100,000 in 1950 to 250,000 in 1952 (despite the loss of roughly 80,000 men) and to 650,000 two years later. [Ref. 13:p. 40]

In the period following the Korean War, the most visible symbol of U.S. involvement in Korea was the pervasive American military presence.

The sixteen nations who had fought under the United Nations (UN) Command issued a statement in August 1953, pledging themselves to renew the war if Communist aggression again occurred. The armistice was a military one, with all signators being military leaders representing the United Nations, the Chinese and the North Koreans. [Ref. 14:pp. 405-413] The armistice ushered in a period of confrontation between the United States and the People's Republic of



China. The threat to American interests in Asia (those interests being peace and access to both Korea and the Chinese mainland) was now perceived squarely in Peking. The United States strategy of forward defense became better known as a "containment" policy.

The 1954 Mutual Defense Treaty between the U.S. and the ROK has been a cornerstone of U.S.-South Korean security relations. In this treaty the United States has been firmly committed to the defense of South Korea. Article 3 of the treaty reads as follows:

Each party recognizes that an armed attack in the Pacific area on either of the parties in territories now under their respective administrative control, or hereafter recognized by one of the parties as lawfully brought under the administrative control of the other, would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes. [Ref. 15:p. 1717]

With the Mutual Defense Treaty, U.S. arms supply to South Korea rose even higher in the second half of the 1950s. As previously discussed with the Mutual Defense Treaty South Korea was officially recognized as a frontier of the containment doctrine. The order to contain communist expansion in the Korean Peninsula and also in protecting Japan politically and psychologically, this massive transfer of U.S. arms was quickly implemented. As can be seen from



Table 2, the U.S. extended massive economic aid to build the war-torn South Korea. In 1955 alone, it provided 315 million dollar worth of economic aid to South Korea. Total of the military grant was about 33 million dollars. More importantly, military aid had quickly jumped the next year to \$226 million. It reached 331 million dollars in 1958. Then it was gradually decreased to \$189 million in 1959 and \$184 million in the following year. Meanwhile, economic aid also steadily kept up with the military grant. The economic aid also gradually declined after 1960. Nearly 7 percent of South Korea's GNP between 1954 and 1965 consisted of economic and military aids from the U.S. [Ref. 16:p. 42]

Furthermore, the U.S. maintained a large group of military advisors (KMAG: Korean Military Advisory Group) to assist South Korean forces in improving their organizational, training, and maintenance skills, as well as their operational abilities. Although ROK military capabilities gradually improved over the course of the 1960s, South Korea remained almost totally dependant militarily upon the U.S. presence. [Ref. 17:p. 1075]

Almost equally significant, however, was U.S. military and economic assistance. Militarily, the Korean War had a devastating effect on North and South Korea. Both

**TABLE 2. U.S. ECONOMIC AND MILITARY ASSISTANCE TO KOREA  
(1955-1967)**

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(In million U.S. dollars)

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Year	Economic Aid			Military Aid		
	Total	Grants	Loans	Total	Grants	Loans

---

1955	315	315	--	33	33	--
1956	387	387	--	226	226	--
1957	349	349	--	262	262	--
1958	292	284	8	331	331	--
1959	274	262	12	189	189	--
1960	216	215	1	184	184	--
1961	247	214	7	200	200	--
1962	190	165	25	137	137	--
1963	181	155	26	183	183	--
1964	218	190	28	124	124	--
1965	182	134	48	173	173	--
1966	262	181	81	210	210	--
1967	178	114	64	272	272	--

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Source: *U.S. AID, Overseas Loans and Grants and Assistance from International Organizations* (Washington, D.C. Government Printing Service, 1969)

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sides suffered enormous casualties, industrial damage, and equipment losses. In line with the change in its perception of Korea as an important part of its "forward defense zone" against Communist expansion, the U.S. altered its policies from providing only limited military assistance to making available large amounts of military aid. This was designed to strengthen South Korean forces to the point where, backed by the United States, they could effectively deter North Korean aggression. As a result of this policy change, major arms transfers to South Korea increased dramatically over the previous period. As Table 3 indicates, these transfers included F-5 fighters and F-86 Sabre fighter-bombers, 203 mm howitzers, and advanced missiles such as the Nike Hercules, Honest John, and the Hawk. United States major weapon exports to South Korea rose steadily throughout the fifties, reaching a peak in the years 1958-60. Including Military Assistance Program (MAP) funding and credit assistance, U.S. military aid to Korea between 1950 and 1968 totaled some \$2 1/2 billion. As can be seen from the Table 1, this represented more than 27% of all U.S. military aid given to East Asia and the Pacific over the entire period, and over 30% during the time before Vietnam started to absorb

**TABLE 3. U.S. ARMS SUPPLIES TO SOUTH KOREA, 1950-1968**

Date	Number	Item	Date	Number	Item
<u>Aircraft</u>			<u>Naval vessels</u>		
1950-52	75	NA F-51 Mustang	1950	2	Frigate, "Tacoma" class
1950-52	(15)	Piper L-4	1950	1	Patrol boat "PC" type
(1950-52)	(15)	Douglas C-47	1951	2	Frigate, "Tacoma" class
(1950-53)	20	Curtiss C-46D	1951	4	Patrol boat, "PC" type
1954	3	Aero Commander 520	1952	4	Patrol boat, "PCS" type
1955	5	NA F-86F Sabre	1952	4	Motor torpedo boat
1956	75	NA F-86F Sabre	1953	1	Frigate, "Tacoma" class
(1956)	6	Sikorsky S-55	1955	1	Oiler
1957	9	Lockheed T-33A	1955	2	Tank landing ship
(1957)	(5)	Cessna )-1A Birdog	1955	2	Escort, "180 ft." PCE type
1958	30	NA F-86F Sabre	1955-57	6	Supply ship
1960	(30)	NA F-86D Sabre	1956	2	Escort, "180 ft." PEC type
(1960)	(5)	Cessna LC-180	1956	1	Tank landing ship
(1962)	(30)	NA F-86D Sabre	1956	2	Frigate, "Bostwick" type
(1962)	(16)	NA T-28	1956	9	Medium landing ship
(1964)	(8)	Cessna 185 Skywagon	1956	3	Coastal minesweeper, "YMS" type
(1965)	(15)	Cessna O-1E Birdog	(1957)	4	Coastal minesweeper, "YMS" type
1965-66	30	Northrop F-5A Freedom Fighter	(1957)	3	Medium landing ship
1965-66	4	Northrop F-5B Freedom Fighter	1958	3	Tank landing ship
1965-66	(2)	Curtiss C-46D	1959	(2)	Tank landing ship
(1967)	(5)	Douglas C-54			
1967-68	(2)	Curtiss C-46			
1967-68	(5)	Cessna O-1A Birdog			
(1968)	2	Northrop F-5B Freedom Fighter			
<u>Missiles</u>					
(1959)	(12)	Usamicon MGR-1 Honest John	1959	1	Escort transport
1960-62	(360)	NWC Sidewinder	1959	3	Coastal minesweeper, "Bluebird" class
1965	(25)	Western Electric Nike Hercules	1960	1	Rocket landing ship
1965	(150)	Raytheon MIM-23 Hawk	1960	2	Patrol boat, "PC" type
<u>Armoured fighting vehicles</u>			(1960)	1	Landing craft repair ship
(1950-51)	(100)	M-Sherman	1961	4	Escort, "180 ft." PCE type
(1950-51)	(50)	M-5 Stuart	1962	2	Tug, "Maricopa" class
(1950-53)	(50)	M-24 Chaffee	1963	1	Destroyer, "Fletcher" class
(1950-53)	(70)	M-10	1963	1	Frigate, "Rudderow" class
(1950-59)	(200)	M-8 Greyhound	1963	1	Escort, "Auk" class
(1951-66)	(500)	M-47/M-48 Patton	1963	2	Coastal minesweeper, "Bluebird" class
(1954-60)	(70)	M-36	1964	1	Patrol boat, "PC" type
(1961-65)	(150)	M-113	1966	2	Escort transport
1965-66	(50)	M-52 105mm howitzer	1967	2	Escort, "Auk" class
1965-66	(50)	M-109 155mm howitzer	1968	1	Coastal minesweeper, "Bluebird" class
1966-67	(60)	M-110 203mm howitzer	1968	2	Destroyer, "Fletcher" class
			1968	1	Hydrographic survey vessel

Source: SIPRI, Arms Trade Registers (Almqvist and Wiksell, International, Stockholm, 1975), pp. 12-15.

increasing amounts of U.S. assistance. In the process of assuming such a large responsibility, the United States played a major role in prescribing the size, configuration, and weaponry of the South Korean military forces. [Ref. 18:p. 16]

With such U.S. assistance, South Korea developed a substantial military capability. By 1968, ROK forces numbered roughly 620,000. The Army alone totaled some 550,000 men, and consisted of 19 front line infantry divisions, 2 armored brigades, and 40 artillery battalions in addition to 4 other tank battalions held in reserve; the Navy totaled 17,000, the Marine Corps 30,000, and the Air Force 23,000, the latter including 195 combat aircraft. [Ref. 19:p. 39]

Military aid programs to South Korea fluctuated significantly during the time of mid-1960s. U.S. Military assistance to South Korea is shown in Appendix A. The high point of U.S. assistance to South Korea during this period was fiscal year 1961. From that period until 1968, U.S. military assistance to South Korea decreased below the 1961 level.

As indicated in Appendix A, U.S. military assistance, while remaining high in absolute terms, declined



relatively over the course of this period as other requirements grew (from a high of \$331 million or 53% of all U.S. military aid to East Asia in 1958 to \$150 million or 22% of U.S. military assistance to the region in 1967). [Ref. 20:pp. 1532-1550] As Table 4 suggests, economic aid also decreased similarly (from a level of around \$200 million or approximately 6% of South Korea's GNP in 1967).

The arms flow to South Korea, however, was discernably slowed in the first half of the 1960s. As can be seen from Table 2, U.S. military aid was about 200 million dollars in 1961. It was reduced to 137 million dollars the next year. It was even further reduced to 124 million dollars in 1964. Then again, it was gradually increased in succeeding years.

There were several reasons for the decline of arms transaction in the early 1960s. First the threat in the Korean Peninsula was somewhat reduced due to various overtures from North Korea. Second, North Korea received almost no military supplies from the Soviet Union during this period. Third, the Korean army was by and large

**TABLE 4. RELATIONSHIP OF U.S. ECONOMIC AID TO SOUTH KOREA  
GNP**

(Unit: thousands U.S. dollar)*			
ROK Fiscal Year	Economic Aid Received	South Korean GNP	Percent of GNP
1954	153,925	2,811,000	5.5
1955	236,707	2,963,000	8.0
1956	326,705	2,976,000	11.0
1957	382,893	3,204,000	12.0
1958	321,272	3,370,000	9.5
1959	222,204	3,500,000	6.3
1960	245,393	3,568,000	6.8
1961	199,245	3,741,000	5.3
1962	232,310	3,856,000	6.0
1963	216,446	4,195,000	5.2
1964	149,331	4,554,000	3.3
1965	131,441	4,821,000	2.7
1966	103,261	5,429,000	1.9
1967	97,018	5,852,000	1.7
1968	105,856	6,591,000	1.6
TOTAL	3,320,367	61,441,000	5.4

\* Estimated from figures in Korean currency units.

Source: Bank of Korea, *Economic Statistical Yearbook, 1973*, cited in Han, Sungjoo, "The Republic of Korea and the United States: The changing Alliance," *op. cit.*, pg 59.



equipped at full capacity. Thus, the initial heavy investment for new equipment was minimized. As a matter of fact, by 1965, ammunition, parts, food, and training accounted for some 80 percent of U.S. military assistance to South Korea. [Ref. 21:p. 23-31]

This pattern, however, was again changed. The U.S. arms supply increased again sharply. As Table 2 shows, U.S. military aid was increased to 210 million dollars in 1966. Then it reached to 272 million dollars the following year. Compared to the military aid, the economic grant was increased to 181 million dollars in 1966, and then again decreased to 114 million dollars in 1967.

There were several reasons for such increase in military aid to South Korea. First, U.S. strategic doctrine adopted a new concept of flexible response. Second, the Soviet Union resumed arms supplies substantially to North Korea. Third, the U.S. promised to help South Korea to modernize the economic and military capability in exchange for Korean troops being dispatched to Vietnam. Fourth, North Korea began to step up its belligerencies to the South. Constant incidents surrounding the DMZ provoked by North Korea reminded the U.S. of a possibility of another war in Korean peninsula. Then the dramatic seizure of the

Pueblo in 1968 and the shooting down of a U.S. EC-121 reconnaissance plane in 1969 accurately reflected the extent and intensity of North Korea's belligerence during this period.

To meet this need, the U.S. stepped up supplying such weapons as anti-aircraft equipment, patrol boats, ammunition and phantom jets. Military assistance to South Korea continued to accelerate and reached 389 million dollars in 1968, and topped \$480 million in 1969.

### **3. Detente, Interdependence, and U.S. Retrenchment (1969-1979)**

The decade from 1969-1979 represented a period of growing ambivalence in U.S. security policy toward Korea, sowing the seeds of doubt regarding the American commitment to South Korea's defense.

This period is very important in describing the relationship of U.S. FMS and ROK. The role of U.S. military assistance changed significantly during this period. While the ROK began in 1971 to purchase defense equipment under FMS programs, grant aid for operations and maintenance ended in 1974, and that for investment stopped two years later.

American strategic doctrine was gradually transformed when Richard Nixon became president. The new administration characterized its policy in terms of the

Nixon Doctrine and the strategy of "nuclear sufficiency." While the Vietnam conflict was worsening, the United States pressure on both South Korea and Japan increased in proportion to the worsening U.S. position in South Vietnam. Eventually Japan and South Korea accepted the normalization treaty in 1965. President Nixon declared the "post-war period in international relations had ended." [Ref. 22:p. 2]

What Nixon emphasized was a new perspective in U.S. policy. "We are involved in the world because we have commitments; we have commitments because we are involved. Our interests must shape our commitments, rather than the other way around." Thus emerged the Nixon Doctrine:

The United States will participate in the defense and development of allies and friends, but... America cannot and will not -- conceive all the plans, develop all the programs, execute all the decisions and undertake all the defense of the free nations of the world. We will help where it makes a real difference and is considered in our interest. [Ref. 22:p. 6]

The policy shift from military assistant program to military sales to South Korea came quickly and was quite large in terms of the volume of arms transactions. As can be seen from Table 5 the military assistance was reduced from about 296 million dollars in 1973 to merely 92 million dollars in 1974. It was further reduced to slightly over

**TABLE 5. MILITARY ASSISTANCE PROGRAM AND FOREIGN MILITARY SALES TO SOUTH KOREA, 1968-1977**

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(Dollars in thousands)						
Year	MAP	Educ. & Training	Excess Def.Art.	FMS Agr.	FMS Del.	Commercial Export
1968	357,270	6,599	51,377	1,504	1,428	588
1969	425,222	7,244	124,964	3,093	716	1,907
1970	313,071	4,965	34,813	-	1,934	1,033
1971	434,804	5,359	137,115	393	408	2,037
1972	285,727	4,519	226,113	8,765	371	685
1973	296,742	2,032	32,142	1,589	2,378	187
1974	92,008	1,527	19,505	100,392	13,318	1,090
1975	79,185	1,291	7,976	216,010	57,452	3,550
1976	59,817	2,058	1,153	634,625	161,260	19,909
1977	1,185	1,395	-	653,987	184,818	62,500

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Source: Data taken from *Foreign Military Sales and Military Assistance Facts*, December, 1977, published by Data Management Division, Comptroller, Defense Security Assistance Agency.

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one million dollars in 1977. Meanwhile, U.S. began to provide military loans to purchase arms for South Korea. It provided 15 million in loans to purchase arms for South Korea. It provided 15 million dollars worth of military loans for South Korea in 1971. It was steadily increased in the following years. Military loans reached 59 million dollars in 1975.

More significantly, the foreign military sales (FMS) were drastically increased. For example, military sales to South Korea were a merely 295,000 dollars in 1967. It was increased up to 1.5 million dollars. As can be seen from Table 5, the declining use of military assistance to an increasing reliance on arms sales became the new trend of U.S. policy. [Ref. 3:p. 310]

There were numerous reasons for such a policy of arms transaction of the U.S. First, the Nixon doctrine called for a shared responsibility of defense against communist forces. As discussed, the U.S. already demanded that the West Germans and others share the defense burden of Western Europe. The Nixon doctrine further reinforced the concept of shared responsibility with regard to arms transactions with South Korea. Second, domestic factors also played a key role in inducing such a policy. The



Vietnam war, economic difficulties, the deficit of balance in payments due particularly to oil from abroad and others strained U.S. defense expenditures. With these problems, the U.S. reduced its forces stationed in South Korea by one third in 1971. Third, in this period, South Korea experienced incredible economic development. The growth of South Korea's GNP was 7 percent in 1972, and an incredible 15.2 percent in 1976. Fourth, North Korean provocation was intensified due to its strategic attempt to unify Korea by "Communisation" (so-called, Vietnamization) [Ref. 23:p. 310] in the Korean peninsula. Such provocation, and later President Carter's announcement of U.S. ground troops withdrawal from Korea created an enormous sense of insecurity in South Korea. This in turn created demands for arms purchases.

As can be seen from the Table 6, the role of U.S. military assistance changed significantly during this period. While South Korea begin in 1971 to purchase defense equipment under FMS programs, grant aid for operations and maintenance ended in 1974, and that for investment stopped two years later. A similar trend was evident in economic assistance.

As Table 7 indicates, the U.S. role declined significantly during this period, with the U.S. share of



**TABLE 6. U.S. SECURITY ASSISTANCE TO SOUTH KOREA  
(1971-1975)**

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Unit: \$ million

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Fiscal Year	Grant (MAP)		Training Grant	FMS			Total*
	Funded	Delivered		Credit	Order	Del.	
1971	521.0	411.7	5.4	15.0	.4	.4	432.1
1972	470.4	481.2	4.7	17.0	8.8	.4	502.9
1973	296.6	264.7	2.0	25.0	1.6	2.4	291.7
1974	91.1	91.7	1.5	56.7	100.3	13.3	149.6
1975	78.2	134.1	1.3	59.0	214.3	70.9	194.4
TOTAL	1,457.3	1,383.4	14.9	172.7	325.4	87.4	1,571.0

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\*Excludes U.S. military assistance funding related to South Korean forces in Vietnam.

\*\*Total = MAP Delivered + Training + FMS Credit

Sources: SIPRI, *World Armaments and Disarmament--SIPRI Yearbook 1971*, pp. 146-147; DMS, *Foreign Military Markets*, 1979, pp.6-7.

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**TABLE 7. AID-FINANCED IMPORTS RELATIVE TO TOTAL IMPORTS (1969-1975)** (U.S. \$ million and % of total imports)

Year	Total Imports	Aid-Financed Imports							
		Total				U.S. Share			
		Grant		Loan		Grant		Loan	
		Amount	%	Amount	%	Amount	%	Amount	%
1969	1,824	155	9	169	9	107	6	71	4
1970	1,984	187	9	101	5	82	4	51	3
1971	2,394	126	5	193	8	51	2	34	1
1972	2,522	66	3	342	14	5	0	194	8
1973	4,240	23	1	224	5	2	0	123	3
1974	6,851	30	0	186	3	1	0	20	0
1975	7,274	37		348	5				

Source: Suh, Suk Tai, *Import Substitution and Economic Development in Korea* (Korea Development Institute, 1975), pp. 221-222; U.S. Grant Aid from Bank of Korea, *Economic Statistics Yearbook* cited in Mason, Kim, et al., op. cit., p. 206.

Notes: a. Total grant aid includes Japanese grant funds.

b. U.S. grant aid includes technical assistance costs in addition to commodity inputs.

c. Loan aid includes loans from international organization and public bilateral loans.

total aid-financed imports falling precipitously after 1970-71 and loans becoming the dominant form of assistance. This is in contrast to the postwar decade when 95% of foreign economic aid to South Korea was supplied by the United States, and nearly all of this on a grant basis. [Ref. 24:p. 190]

Between FY 1978 and FY 1979, ROK FMS purchases rose to \$390 million. By the end of 1970s, South Korea became one of the four largest arms clients of the United States. As Table 5 indicates, U.S. arms sales agreements with South Korea between 1975 and 1979 was worth more than 2 billion dollars. In this period, only Saudi Arabia, Iran, and Israel were ahead of South Korea in terms of the volume of arms sales agreement with the United States.

In addition, direct military sales to Korea outside FMS were significantly boosted. Weapons involved in all these transactions included: TOW, Sidewinder, and Sparrow missile; F-4 and F-5 fighters; C-130 transports; armored personnel carrier and sophisticated radar communication equipment. In 1978, the U.S. established a Defense Field Office (DFO) to manage this huge volume of security assistance, monitor the delivery of equipment, and assist in its integration into the Korean armed forces. [Ref. 7:p. 52]

By late 1972 the North Korean military was generally well equipped due to the program of expansion and modernization begun in 1967. As can be seen from the Table 8, during the period 1967 to 1971, North Korea had been spending an average of 31% of its entire budget on defense. Defense spending was also taking more than 16% of the GNP. Other than small arms ammunition, AK-47 rifles, Semyonov automatic rifles, frigates, and trucks, which were being manufactured domestically, the great majority of weapons still had to be purchased from foreign countries. In the early 1970s, intelligence reports indicated the Chinese were beginning to supply a considerable amount of military equipment to North Korea, and by 1972 China was reportedly providing more military aid than the Soviet Union. [Ref. 25:p. 15]

Throughout the mid-1970s, there were some significant events which influenced Korea's defense policy. In 1972, the last U.S. combat troops left for home. As we mentioned before and can be seen from the Table 8, North Korea built up an intensive military. The North Korea's armed clashes occurred off the east and west coasts of South Korea, and a second tunnel under the DMZ was discovered by the UN command (the first had been discovered in November 1974). [Ref. 26:p. 281]

**TABLE 8. NORTH KOREAN DEFENSE EXPENDITURES**

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Unit: in million of Won			
Year	Total Budget	Military Spending	% of Budget
1953	496.0	75.4	15.2
1954	729.6	58.3	8.0
1955	988.0	61.3	6.2
1956	956.0	56.4	5.9
1957	1,022.4	54.2	5.3
1958	1,649.6	56.8	4.8
1959	1,649.6	61.0	3.7
1960	1,967.9	61.0	3.1
1961	2,338.0	60.8	2.6
1962	2,728.8	71.0	2.6
1963	3,028.2	57.5	1.9
1964	3,418.2	198.3	5.8
1965	3,476.1	128.1	8.0
1966	3,571.4	357.1	10.0
1967	3,948.2	1,200.2	30.4
1968	4,812.9	1,559.4	32.4
1969	5,048.6	1,565.1	31.0
1970	6,186.6	1,917.9	31.0
1971	7,277.3	2,183.2	30.0
1972	7,344.0	1,256.1	17.0
1973	8,543.5	1,281.2	15.0
1974	9,801.2	1,568.2	16.0

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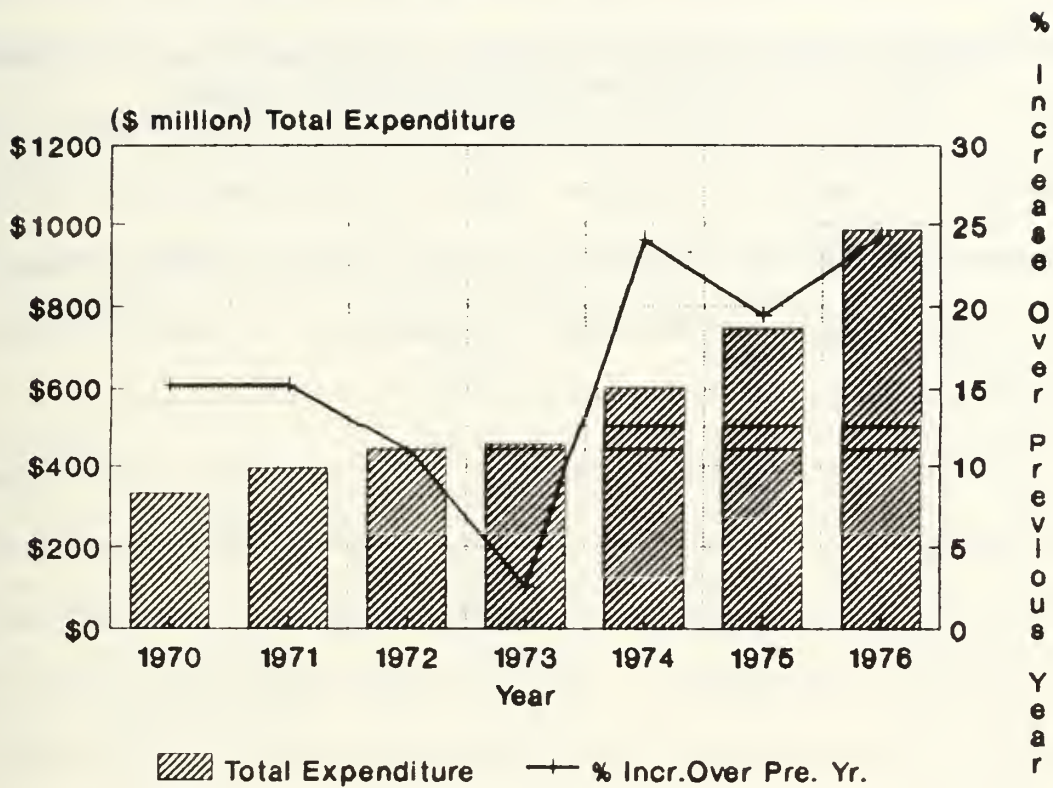
In the wake of the collapse of Vietnam in the spring of 1975 and a possible ensuing bid by Kim Il-song to garner Chinese support for an attack on the South, President Park decided to dramatically boost the ROK's military capability. As Table 9 and Figure 1 indicate, South Korean defense expenditures for 1974 were increased nearly 25% from the previous year. This was a marked upturn for South Korean defense spending.

Following the Communist victories in Southeast Asia, President Park began publicity to express the view that South Korea had to become self-sufficient militarily. Knowing that the mood in the United States Congress tended to shift, President Park devised a plan to enable South Korea within 4-5 years (1976-1980) to possess the capability of self-defense through an indigenous defense industry. Specifically, South Korea sought to develop within five years a force structure capable of holding its own against any North Korean attack, with the United States providing only necessary logistical support. This multi-faceted project, named the Force Improvement Program (FIP), was a follow-up to the five-year modernization program launched in 1971.



**TABLE 9. SOUTH KOREAN DEFENSE EXPENDITURES, 1970-1976**

Unit: \$ million		
Year	Total Expenditure	% Increase Over Previous Year
1970	334	15.2
1971	394	15.2
1972	443	11.1
1973	456	2.6
1974	601	24.1
1975	747	19.5
1976	988	24.4



**Figure 1. The Transition of South Korea Defense Expenditures 1970-1976**

To accomplish this objective, South Korea raised the defense budget from 4 to almost 7% of gross national product. It also instituted a special defense tax to pay for required improvements. As Table 10 suggests, the United States greatly assisted this effort, both through continued Military Assistance Program (MAP) deliveries and through rapidly increasing Foreign Military Sales (FMS) credits. One result was a significant expansion of South Korea's defense industry.

In the FY 1971 to FY 1973 period, while U.S. assistance in the form of grants, excess defense articles (EDA), and budget support remained important, the role of U.S. funding declined. South Korea began to purchase defense articles under foreign military sales (FMS) credit and cash programs. Grant aid support of Operations Table 10 indicates U.S. Security Assistance Provided to South Korea Under Its Modernization Plan 1971-75 (\$/Thousand) and Operations and Maintenance (O&M) costs ended by 1974, and grant aid funding for military equipment (investment) was terminated in FY 1976.

#### **4. Korea and Carter, Reagan Administration**

Generally speaking, U.S.-South Korean relations passed through three phases during the Carter administration

**TABLE 10. U.S. SECURITY ASSISTANCE PROVIDED TO SOUTH KOREA  
UNDER ITS MODERNIZATION PLAN (1971-1975)**

\$/Thousands			
Contents	MAP, fiscal year 1971-75 (value)	FMS credit, fiscal year 1974-75	Total
Aircraft	\$235,658	\$19,300	\$254,958
Ships	30,853	7,800	38,653
Vehicles and weapons	196,128	6,900	203,028
Ammunition	37,478	2,200	39,678
Missile	10,090	40,300	50,390
Communication equipment	40,234	21,000	61,234
Other equipment	93,065	11,683	104,748
Rehabilitation and repair	16,148	6,500	22,648
Supply operations	90,187		90,187
Training	14,736		14,736
Other services	10,101		10,101
Total	774,678	115,683	890,361

Its first two years constituted the first phase, when the relationship between the two countries sank to its lowest point. During this period, President Carter announced his troop withdrawal plan. During the second phase, which began toward the end of 1978 and lasted until the assassination of President Park Chung-hee in October 1979, President Carter reversed his troop-withdrawal decision. However, the U.S. government continued to express concern over the domestic political process in Korea. Relations gradually improved as the Carter administration moved closer to the South Korean view about North Korea's military threat as well as about the strategic importance to the United States of the Korean peninsula. The third phase of the Carter policy toward Korea began with the death of President Park in October 1979. In the post-Park period, the United States was primarily concerned with South Korean security, lest North Korea be tempted to take military advantage of the post-Park transition. [Ref. 7:p. 220]

#### **D. THE TRANSITION OF THE U.S. MILITARY AID TO KOREA**

In accordance with the national security doctrine, the United States has long provided arms and other assistance to the military forces of friendly governments. Such aid has consisted of direct grants of arms and equipment through the

Military Assistance Program (MAP), training of foreign military personnel through the International Military Education and Training Program (IMET), credit-assisted arms sales under the Foreign Military Sales (FMS) credit program, delivers of "surplus" U.S. arms under the Excess Defense Articles (EDA) program, and cash subsidies or loans to immediately threatened governments from the Economic Support Fund (ESF). [Ref. 27:p. 1]

The U.S. has been keeping a close relationship with Korea. In this section, we will gather the data about the U.S. military aid to Korea as a whole and figure out the transition of the aid based on the data. Appendix B shows overall the contents of the military assistance to Korea from the United States and its transition.

### **1. MAP Grant Aids**

The purpose of the Military Assistance Program (MAP) grant funding is to assist friends and allies in financing procurement of defense articles and services to help strengthen their defense capabilities. Without grant aid many countries would have to divert scarce resources from economic development efforts in order to purchase military training and equipment.



The MAP, established under the Mutual Defense Assistance Act of 1949, originally provided for the loan or grant of military equipment, materials and services (including training) to eligible nations. Since FY 1982, the authority of Section 503(a)(3) of the Foreign Assistance Act (FAA) has been used to merge MAP funds with recipient countries' funds and/or with Foreign Military Sales (FMS) financing credits in the FMS Trust Fund, to make adequate funds available to finance the country's FMS cases.

In line with U.S. foreign policy interests, from FY 1950 to about FY 1963, the MAP program was directed primarily toward Europe to contain the Soviet challenge. Subsequently, the U.S. has provided MAP grants primarily to areas of the developing world wherever clear threats to U.S. or global security interests arose. From the mid 1960s until the mid 1970s, the East Asia and Pacific region accounted for the greatest percentage of MAP assistance due mainly to the war in Vietnam, with Near East and South Asian countries important MAP recipients. Since the early 1980s, Europe (Turkey and Portugal) and Central America (El Salvador and Honduras) have become major recipients.

As a result of the generally strengthened global economic situation in the late 1960s and early 1970s, the

apparent need for MAP declined, and requests for MAP reached a low of \$104.4 million in FY 1981. Recently, in response to the steady economic deterioration of several assistance recipients in Central America, the Administration has increased its grant funding requests. In FY 1986, the request reached \$976.35 million (including the ill fated \$27 million counter terrorism supplemental request). Since the FY 1986 Continuing Resolution appropriation was almost 20 percent below request, major adjustments had to be made in the final country allocations.

In some areas, as in sub-Saharan Africa, most U.S. military assistance in FY 1987 is proposed to be grant aid. For other countries whose financial circumstance are less strained, the U.S. is able to combine MAP grants and FMS loans. The U.S. also provides MAP to a few strategically-located countries with somewhat stronger but still precarious economies with which we share important security interests. Although the repayable FMS financing proposal is more than three times that for MAP, the grant MAP program remains a critical synergistic component of the security assistance program and a significant instrument of U.S. foreign policy.

For FY 1987, the Administration proposed \$996.45 million in new budget authority. This request would provide \$948.45 million in MAP grants to 40 country and regional programs -- an increase of five countries over the number originally proposed for FY 1986. The new country programs added for FY 1987 were for the Central African Republic, Colombia, Ecuador, Guatemala, and Uruguay. This request also contained \$48.0 million for general costs.

## **2. IMET**

The International Military Education and Training (IMET) program is a grant aid, relatively low-cost, low-risk foreign policy instrument that serves U.S. interests by providing a valuable channel of communication and influence with foreign militaries worldwide.

Since 1950, the IMET program has trained over 500,000 officers and enlisted personnel from more than 100 allied and friendly countries. Most of these personnel have been trained in the U.S. in more than 2,000 different specialties -- from basic technical skills to professional military education (PME) -- calculated to advance the efficiency, professional performance, and readiness of each nations' armed forces. The training has supported specific and legitimate military requirements within the armed forces

of recipient nations in order to achieve apolitical and professional military forces. In addition, English language training, which is essential to much of the training, has contributed directly to the increased rapport and, in the long term, to a greater understanding of the United States.

In addition to transmitting military skills and U.S. military doctrine, IMET contributes to U.S. policy objectives by providing significant opportunities for access to the civilian and military leadership of other countries. In several countries, the program not only supplements the country's indigenous training effort, but frequently is the only major alternative to Soviet-oriented programs. The program supports U.S. interests by continuing to expose a significant sector of present and future military leaders -- especially among developing nations -- to American values. As in the past, these personnel are likely to hold future positions of influence or prominence in their countries. In FY 1985, for example, 80 U.S. diplomatic missions identified over 1,540 IMET -trained personnel holding such positions, and almost 1,475 holding flag rank during the FY 1979-84 five-year period. [Ref. 28:p. 65]

The long-term investment nature of the IMET program demands continuous effective management and a consistent

application of sound policies conducive to the achievement of IMET goals. During the past year, we have initiated measures instituting extensive training management improvements. They include the following: the reemphasis of IMET policies to ensure effective program implementation; the issuance of detailed and precise annual training guidelines; the requirement for written multi-year country training plans; the development of instructions to achieve balanced country training programs; the careful management of high cost undergraduate pilot training in favor of less costly professional military education in order to expose a greater number of trainees to the United States; and, finally, the initiation of management information systems to enhance overall program implementation.

The \$68.83 million requested for the International Military Education and Training Program for FY 1987 would provide military education and training for personnel from approximately 100 countries. These funds will enable the program to continue as a cost-effective and productive element of our security assistance efforts, demonstrating sustained U.S. support for friends and allies, and increasing awareness among recipient nations of certain



basic issues which stress and foster internationally recognized human rights.

### **3. FMS**

Foreign Military Sales (FMS) are sales which are conducted by government to government for defense articles or services. Through the FMS program, the U.S. Department of Defense (DOD) sells military equipment and services to foreign governments and international organizations. DOD may order and buy (procure) the equipment from private firms, manufacture it in government facilities, draw it from available stocks, or in certain circumstances from U.S. military units. It is contrasted to commercial sales. [Ref. 29:pp. 1-2]

Defense articles are commodities such as weapons systems, munitions, materials, supplies, or goods used for the purpose of providing military assistance, not including merchant vessel. [Ref. 30:p. 461] Defense services include any service, test, inspection, repair, training, publication, technical or other assistance or defense information used for the purposes of making military sales. Training includes either formal or informal instruction of foreign students in the U.S. or abroad by officers or employees of the U.S., contract technicians, or contractors.



It also includes correspondence courses, technical, educational, or informational publication and media of all types, training aids, orientation, training exercises, and military advice to foreign military units and forces. [Ref. 31:p. 18]

Currently, FMS is conducted under the authority of the Arms Export Control Act (AECA) of 1976, as amended.

The nature of arms trade in the late twentieth century may be characterized by five salient developments: the rapidly increasing number of competitors for sales and the emergence of a wide choice of weapons for recipients; the growing number of suppliers that have entered the market for largely economic reasons; the continuing international debt crisis, particularly among Third World nations; the growing necessity for suppliers to provide offsets to recipients as a condition of sale; and, of particular concern for the United States as a competitor in the new arms sales market, the growing reluctance of the Congress to confront complex issues of security assistance in the Middle East, with the likelihood that this significant share of the market will become dominated by economically motivated competitors.

Arms transfers have been a central instrument in promoting U.S. postwar foreign and national security policy objectives. These transfers have been in the form of grant assistance, military assistance funded through the U.S. armed forces budget appropriations, and arms sales. Since 1974 the FMS program and the financing tools that support it have for the most part replaced the grant programs of military assistance that rebuilt the shattered armies of U.S. allies in the North Atlantic Treaty Organization (NATO) during the two decades following World War II and later provided massive amounts of military equipment, training, and support services for the Republic of Vietnam and other U.S. allies directly involved in the Vietnam War.

The rise of sales coincided with pressures within the U.S. government during the mid-1960s to find a less monetarily costly aid instrument and to find relief from the adverse impact billions of dollars of grant military assistance was having on the U.S. trade balance. Foreign military sales provide such relief. In FY 1959, FMS deliveries accounted for less than 10 percent of deliveries of military equipment, supplies, services, and training to the world were provided under the FMS program. Since then,

FMS has dominated U.S. security assistance activities. [Ref. 32:p. 14]

Another significant trend has been the qualitative rise which has accompanied the quantitative expansion of arms. Whereas many of the weapons transferred in earlier periods were second-generation or obsolete, today they are often the most advanced and sophisticated in the inventories, or new production runs, of the supplier states.

#### **IV. THE POSTWAR U.S.-ROK ECONOMIC RELATIONS**

This chapter discusses the development of U.S.-ROK economic relations since 1945. The economic relationship between the two nations from 1945 to the early 1970s was of a one-way nature. The United States was the provider and Korea the recipient. Table 11 shows that although U.S. economic assistance to Korea in the 1970s was minimized, Korea had received a total of \$3.8 billion in aid between 1945 and 1978.

Since the 1970s, South Korea and the United States have begun a new stage, of extensive economic contact, although the relationship is still rather lopsided.

##### **A. THE UNILATERAL AID PERIOD (1945-1961)**

The Japanese occupation of Korea ended on 15 August 1945 and was supplanted in the southern part of the country by a U.S. military government. The immediate postwar period was characterized by extreme economic disorganization and stagnation caused by the sudden separation of the Korean economy from the Japanese economic bloc and by the

**TABLE 11. U.S. ECONOMIC ASSISTANCE TO SOUTH KOREA**

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(million of dollars)

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Year	GARIOA	ECAISEC	PL480*	AID*	Total
1945-50	502.1	73.1	---	---	575.2
1951-53	---	37.0	---	5.6	42.6
1954-60	---	---	157.7	1,581.8	1,739.5
1961-65	---	---	329.5	599.2	928.7
1966-71	---	---	308.4	238.3	546.7
1971-78	---	---	---	12.2	12.2
Total	502.1	110.1	795.6	2,437.1	3,844.9

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Source: Bank of Korea, *Economic Statistics Yearbook and Monthly Economic Statistics* (various issues).

\* Includes grant-type assistance only.

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partitioning of the country along the 38th parallel. Even as late as 1948, total manufacturing output in South Korea was only one-fifth of the 1940 level and had declined sharply in every sector. In addition to the drastic decline in domestic manufacturing, severe food shortages developed after the war. Population increased rapidly because of the immigration of refugees from the North and the repatriation of Koreans from Japan and other countries.

For all the disorganization, economic policy during this period was inevitably most simple. The U.S. military government and civilian officials attempted successfully to prevent starvation through U.S. food aid and unsuccessfully to check inflation through price controls and rationing. While selected sectors began to revive in the late 1940s, South Korean exports prior to the Korean War never exceeded the trivial level of \$17 million. This is perhaps 2 or 3 percent of what had been exported during the late 1930s.

As might be expected, Korean governmental economic institutions during this period reflected the rudimentary character of government economic policy. While an Office of Planning had been established when the republic was founded, during this early period it had neither power, influence, nor analytical capacity and confined itself to



compiling lists of projects submitted to it from elsewhere in the Korean government. Foreign exchange institutions were so underdeveloped during this period that foreign trade was carried out primarily on the basis of barter.

The economic disorganization that followed 1945 was greatly magnified by the destruction caused during the Korean War. The Korean economy, which was initially designed as a colonial economy dependent on Japan and then further crippled by the separation of the North from the South, once again had to attempt industrialization. This time the attempt had to be made out of the ruins left in the wake of the Korean War. Korea faced the post-Korean War World with a per capita GNP of \$129 (1970 price), a manufacturing sector that accounted for no more than 6 percent of GNP (down from better than 40 percent in the late 1930s) and a continuing trivial level of exports.

The nine years following the war gave Korea its first sustained period of economic growth since the colonial period. GNP grew at an average annual rate of 4 percent between 1953 and 1962. Unhappily, this was not enough ahead of the population growth to result in a per capita GNP of more than \$150 even in 1962. Moreover, even as late as 1961, commodity exports were still trivial while imports

financed almost entirely by U.S. grants-in-aid reached some 15 percent of GNP. The persistently overvalued Korean currency effectively eliminated the export potential of the economy. The development policy during this nine-year period for imports under the protection of quotas and prohibitive tariffs. The foreign exchange that allowed the necessary imports of capital equipment came from aid funds provided primarily by the U.S. government.

When Korea was liberated from Japan in 1945, her economy all but collapsed as more than 700,000 Japanese nationals who occupied the top layer of economic, political, technical and cultural positions were repatriated. Moreover, the intensive exploitation of resources and industrial facilities in the interest of the Japanese war machine left the former colony's railroads, factories, mines, and the agricultural sector in almost complete disrepair. The immediate problems of relief alone were so urgent that the U.S. military government in Korea was unable to concentrate on economic rehabilitation or reconstruction.

On top of this, the division of the 85,000 square-mile peninsula along the 38th parallel, the first in over 1,200 years, aggravated the situation. As Table 12 shows, South Korea was deprived of her major sources of coal,

**TABLE 12. COMPARISON ON OUTPUT OF MINING AND MANUFACTURING  
IN SOUTH AND NORTH KOREA BEFORE AUGUST 1945**

(Per cent)					
Manufacturing (1940)			Mining (1936)		
	South Korea	North Korea		South Korea	North Korea
Chemical	17.9	82.1	Gold(Sand Gold)	29.3	70.7
Metal	9.9	90.1	Gold and Silver Ore	27.3	72.7
Machine	72.2	27.8	Iron Ore	0.1	99.9
Spinning	84.9	15.1	Pig-iron	-	100.0
Ceramics	20.3	79.7	Tungsten and	21.5	78.5
Wooden Articles	65.3	34.7	Molybdenite		
Book Binding	65.1	34.9	Graphite Coal	29.0	71.0
Printing	89.1	10.9	Bituminous Coal	0.5	99.5
Foods	65.1	34.9	Anthracite	2.3	97.7
Electric Power	14.0	86.0			
Capacity					
Annual Average	8.0	92.0			
Generating Power (1945)					

Source: The Bank of Chosun, Chosun Economic Yearbook, 1948. Quoted by Ki-Hoon Kim, "The development of contemporary U.S.- ROK economic relations," U.S. - Korean relations (1882-1982), (1982), P.324.

electricity, and virtually all heavy industry facilities; she was left only with productive capacity for light industries. [Ref. 33:p. 41-43] In fact, South Korea's total output in manufacturing after the division fell to about 15 percent of that in 1944. The war in 1950 resulted in a "coup de grace" effect on the already weak and unbalanced Korean economy.

The \$3 billion property damage caused by the war destroyed the meager supplies of capital, plant and equipment as well as ruining almost the entire infrastructure, not to mention the effect on South Korea's human capital. Nearly one million civilians and 370,000 soldiers were killed. For the period 1950-53, over 5.7 million American military personnel were engaged in the Korean conflict and 54,246 lost their lives. Moreover, the resource-poor nation had to carry a heavy defense burden. As Table 13 indicates, military spending occupied over 50 percent of the government budget during the war. The deficit, which was financed by borrowing on overdraft at the Bank of Korea was mounting. During the fiscal year ending March 31, 1951, for instance, total government revenues amounted to merely 30 percent of the total expenditures.

**TABLE 13. DEFENSE EXPENDITURE OF SOUTH KOREA (1949-1955)**

(In million won: Approximately 274 won = US \$1)

Year	Defense Expenditure	Total Budget	Counter-part Fund (US Aid)
1949	23.95	91.11	0.22
1950	132.43	242.96	13.15
1951	329.84	617.86	---
1952	946.28	2,150.76	306.95
1953	3,260.54	6,068.31	795.89
1954	5,991.81	14,239.16	4,470.43
1955	10,637.88	28,143.94	15,053.63

Source: Republic of Korea, 1962 *Budget* (The Economic Planning Board).

In addition, inflation, which started during World War II, spilled over into the post-war period. It was intensified by the invasion from the North. The price level increased by more than six times during the first year of the Korean war and was further worsened by poor harvests in both 1951 and 1952. Refugees from the North swelled the existing population, a problem which is ever present. As of 1975, 363 persons per square kilometer of land and 14.8 persons per hectare of farmland was among the world's highest people to land ratios. [Ref. 34:p. 15]

Herein lies the importance of foreign aid, especially from the United States, which was crucial for Korea at the critical period in her history. Table 14 shows the magnitude of such aid for the period 1945-1980. [Ref. 35]

### **1. The Foreign Aid Program (1945-1953)**

Along with Vietnam and Israel, Korea has been one of the largest recipients of foreign assistance in the world. For the three decades (1945-1976), the United States' economic and military aid alone reached \$12.6 billion, or roughly \$500 per capita during the same period. [Ref. 36:p. 165] Table 15 summarizes the total picture.



**TABLE 14. FOREIGN ECONOMIC AID RECEIVED BY KOREA  
(1945-1980)**

(In Millions of U.S. Dollars)

Year	Total	United States of America				CRIK**	UNKRA
		GARIOA	ECA	PL480*	AID		
1945	4.9	4.9					
1946	49.9	49.9					
1947	175.4	175.4					
1948	179.6	179.6					
1949	116.5	92.7	23.8				
1950	58.7		49.3			9.4	
1951	196.5		32.0			74.4	0.1
1952	161.3		3.8			155.4	2.0
1953	194.2		0.2		5.6	158.8	29.6
1954	153.9				82.4	50.2	21.3
1955	236.7				205.8	8.7	22.2
1956	326.7			33.0	271.0	0.3	22.4
1957	382.9			45.5	323.4		14.1
1958	321.3			47.9	265.6		7.7
1959	222.2			11.4	208.3		2.5
1960	245.4			19.9	225.2		0.2
1961	199.2			44.9	154.3		
1962	232.3			67.3	165.0		
1963	216.4			96.8	119.7		
1964	149.3			61.0	88.3		
1965	131.4			59.5	71.9		
1966	103.3			38.0	65.3		
1967	97.0			44.4	52.6		
1968	105.9			55.9	49.9		
1969	107.3			74.8	32.4		
1970	82.6			61.7	20.9		
1971	51.2			33.7	17.6		
1972	5.1				5.1		
1973	2.1				2.1		
1974	1.0				1.0		
1975	1.2				1.2		
1976	1.7				1.7		
1977	0.9				0.9		
1978	0.2				0.2		
1979	0.2				0.2		
1980	0.4				0.4		

\* A portion of the proceeds used by United States Government from sales of surplus agricultural commodities imported under the U.S. Public Law 480 cannot be regarded as foreign aid received, but for convenience it is included here to show the total imports under the same Law.

\*\* Civil Relief in Korea (UN).

Source: The Bank of Korea, *Economic Statistics Yearbook*, 1981, p. 241, Jung Jae Park, *One Hundred Years of the Korean Economy* (Seoul, Korea: The Korea Productivity Center, 1971), p. 384.

**TABLE 15. SUMMARY OF ECONOMIC AND MILITARY ASSISTANCE TO  
SOUTH KOREA FROM THE UNITED STATES**

(\$ Million for U.S. Fiscal Years)					
	1946-52	1953-61	1962-69	1970-76	Total
Economic Aid	666.8	2,579.2	1,658.2	963.6	5,745.4
Military Aid	12.3	1,560.7	2,501.3	2,797.4	6,847.3
Total	679.1	4,139.9	4,159.5	3,761.0	12,592.7

Source: Edward S. Mason, et al., *The Economic and Social Modernization of the Republic of Korea* (Cambridge, Mass.: Harvard University Press, 1980), p.182

The first aid program was implemented by the United States Army Military Government in Korea (USAMGIK) in September 1945 and lasted until 1948 when the Republic of Korea was established. This was accompanied by the GARIOA (Government Appropriations for Relief in Occupied Areas) aid program which had three major objective: (1) Prevention of starvation and disease, (2) increasing farm output, and (3) supplementing the shortage of consumer goods. For the five-year period, the aid reached \$500 million. As Table 14 shows, for the period 1945-53, all but 3 percent (\$31.7 million) donated by the UNKRA came from the United States. The total of \$1,041 million amounted to about \$5 per capita per annum for the eight-year period, which was roughly equal to 10 percent of per capita income. [Ref. 37:p. 323]

In December 1948, the ROK-U.S. Agreement on Aid, an inter governmental pact similar to the ECA program in Western Europe, was signed. The ECA program itself was extended to Korea in 1949 but all hopes of economic recovery and stabilization were shattered when the north Koreans invaded the south on June 25, 1950. The ECA had to readjust its aid plan for wartime effectiveness, mainly for relief, and the total aid during 1949-53 was \$109 million. Even though the CRIK (Civil Relief in Korea) and UNKRA programs

were sponsored by the United Nations, the major donor to the fund was the United States.

Thus, the early period of U.S. aid (1945-53) was a time for adjustment for Korea, from the Japanese colonialism to an independent nation which had gone through a devastating war. The United States provided "unrequited" economic and military aid which sustained the Republic of Korea and its people.

## **2. The Post-war Period (1953-61)**

The Korean War reinforced the U.S.-ROK relations in every area. In addition to national defense, Korea faced difficult yet inevitable post-war reconstruction and economic stabilization problems. Inflation and domestic capital formation were not an easy task to cope with. Again, these objectives required continuous aid from the United States which amounted to more than \$2.5 billion during the 1953-61 period. This was also the time when the AID program was implemented. Total aid increased from 4.4 percent of GNP in 1954 to 10.9 percent in 1956. In spite of a war-torn economy Korea could manage an average annual growth rate of 5.1 percent in her GNP for the period 1954-1959.

In general, the economic aid accomplished three objectives: supplementing domestic savings for capital formation in Korea, an unfavorable balance of payments was eased, and inflationary pressure was reduced. During the period 1953-61, the United States donated 95 percent of total foreign aid which amounted to some 8 percent of Korea's GNP, 77 percent of capital formation and about 70 percent of total imports. After 1957, however, foreign aid began to decline and this, in turn, brought an adverse impact on the Korean economy. Stated differently, Korea has been excessively dependent on the foreign aid. Subsequently, the Foreign Capital Inducement Law was promulgated in 1960.

#### **B. THE BILATERAL TRADE PERIOD (1962-Present)**

Since the beginning of the 1960s, Korea has been experiencing remarkable changes: from a unilateral relationship to bilateral economic cooperation, from grant-in-aid to development loans and foreign direct investment, from a dependent to a self-sustaining economy, and from labor-intensive to capital-intensive industries. Someday Korea will become a "developed" nation.

For the first time in her history, Korea had launched the Five-Year Economic Plan in 1962. Foreign aid was

providing some \$200 million worth of assistance a year, equivalent of about 10 percent of GNP, but the standard of living was still low. Economic stagnation, according to the planners, had its roots in inefficient management and defective institutions. The chief purpose of setting up the first development plan was to attain a self-sustaining economy with steady growth for a higher standard of living. [Ref. 38:p. 9]

During the second half of the current century, the term "economic miracle" began to appear in economic literature, designating Germany and Japan. Now Korea has been added to the honor roll. In the past decades, Korea has managed extraordinary and spectacular economic performance despite considerable odds. Yet the actual economic growth surpassed the ambitious planners' expectations and surprised the rest of the world. Many of the third world nations would like to "emulate South Korea's 20-year leap from poverty to relative prosperity."

Throughout the 1960s and 1970s, as Figure 2 shows, the average rate of growth was more than 10 percent a year, and per capita income was changing from \$87 in 1962 to \$1,636 in 1981. This has was projected to go up to \$2,710 in 1986 when the Fifth Five-Year Plan ended. Primary industry was



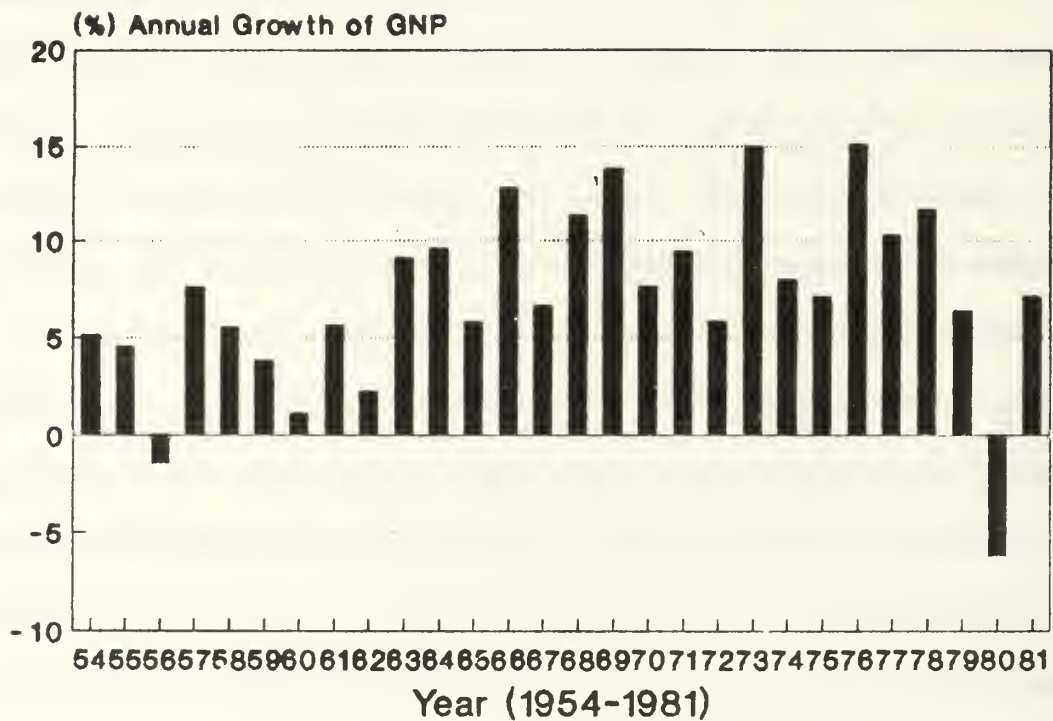


Figure 2. Korean Annual Growth of GNP, 1954-1981

shrinking from 40 percent to less than 25 percent. The most remarkable growth occurred in international trade: exports have been rising from a mere \$41 million in 1961 to \$21.2 billion in 1981. This is an average growth of 37.1 percent a year for the last two decades. In 1977 Korea celebrated the breaking of the \$10 billion export target and within four years Korea has doubled the total.

During the First Five-Year Plan period (1962-66), exports were increasing at an annual rate of 43.9 percent with 7.8 percent growth in GNP per annum. During the second period (1967-71), the performance was reversed. Exports were increased at 33.7 percent per year while GNP was growing faster than the previous plan period at a rate of 9.7 percent per year. During the third period (1972-76), both exports and economic growth expanded: the former at the annual rate of 50.9 percent and the latter at 10.1 percent. This was accomplished in spite of the energy crisis. Again, as Table 16 shows, the fourth plan period (1977-81) registered a decline in the growth rate of both: exports were increasing only at 22.5 percent a year and the economy was growing only at 5.8 percent. In fact, the annual growth of GNP for 1980 was minus 6.2 percent, for the first time since 1956. Imports, on the other hand, have

been rising faster than exports. Korea has been suffering from a chronic deficit in her balance of payments.

Although the economic relationship between the two nations has changed from foreign aid to trade, the main force which made it possible for Korea to accomplish such a spectacular export performance is again the United States. In other words, as shown in Table 16, the United States absorbed the average of 35.7 percent of total Korean exports annually. To be specific, the growth rate for each of the four five-year plan periods are 30.7 percent (1962-66), 48.5 percent (1967-71), 34.9 percent (1972-76), and 28.9 percent (1977-81), respectively. In the 1980s, however, Korea's exports to the U.S. decreased to slightly above 26 percent a year. At any rate, the United States was the leading importer of LDCs' manufactured goods in the 1960s and 1970s. Apparently, Korea's export strategy took advantage of her partner's global trade policy.

The World Bank has observed Korea's trade from a different angle, i.e., efficient export growth can attain efficient import substitution. During the early stage of industrialization, Korea emphasized selective import substitution which brought favorable results. Her approach

**TABLE 16. SUMMARY OF EXPORTS AND IMPORTS, 1952-1981**

(In million U.S. dollars)								
Year	Exports				Imports			
	Total	Growth Rate(%)	To the US	% of Total	Total	Growth Rate(%)	From the US	% of Total
1952	27.7				214.2			
1953	39.6	43.0			345.4	61.3		
1954	24.2	-38.9			243.3	-29.6		
1955	18.0	34.4	7.4	41.1	341.6	40.4	37.9	11.1
1956	24.6	36.7	10.9	44.3	386.1	13.1	87.0	22.5
1957	22.2	-9.8	4.1	18.5	442.2	14.5	110.0	24.9
1958	16.5	-25.7	2.9	17.6	378.2	-14.5	209.0	55.3
1959	19.8	20.0	2.1	10.6	303.8	19.7	147.6	48.6
1960	32.8	65.7	3.6	11.0	343.5	13.1	133.7	38.9
1961	40.9	24.7	6.8	16.6	316.1	-8.0	143.4	45.4
1962a	54.8	34.0	12.0	21.9	421.8	33.4	220.3	52.2
1963	86.8	58.4	24.3	28.0	560.3	32.8	284.1	50.7
1964	119.1	37.2	35.6	29.9	404.4	-27.8	202.1	50.0
1965	175.1	47.0	61.7	35.2	463.4	14.6	182.2	39.3
1966	250.3	42.9	95.8	38.3	716.4	54.6	253.7	35.4
1967b	320.2	27.9	137.4	42.9	996.2	39.1	305.2	30.6
1968	455.4	42.2	237.0	52.0	1,462.9	46.8	449.0	30.7
1969	622.5	36.7	315.7	50.7	1,823.6	24.7	530.2	29.1
1970	835.2	34.2	395.2	47.3	1,984.0	8.8	584.8	29.5
1971	1,067.6	27.8	531.8	49.8	2,394.3	20.7	678.3	28.3
1972c	1,624.1	52.1	758.9	46.7	2,522.0	5.3	647.2	25.7
1973	3,225.0	98.6	1,021.2	31.7	4,240.3	68.1	1,201.9	28.3
1974	4,460.4	38.3	1,492.2	33.5	6,851.8	61.6	1,700.8	24.8
1975	5,081.0	13.9	1,536.3	30.2	7,274.4	6.2	1,881.1	25.9
1976	7,715.1	51.8	2,492.5	32.3	8,773.6	20.6	1,962.9	22.4
1977d	10,046.5	30.2	3,118.6	31.0	10,810.5	23.2	2,447.4	22.6
1978	12,710.6	26.5	4,058.3	31.9	14,971.9	38.5	3,042.9	20.3
1979	15,055.5	18.4	4,373.9	29.1	20,338.6	35.8	4,602.6	22.6
1980	17,504.9	16.3	4,606.6	26.3	22,291.7	9.6	4,890.2	21.9
1981*	21,188.9	21.0	5,560.9	26.2	26,344.6	18.2	6,050.2	23.0

a,b,c, and d: The First, Second, Third, and Fourth Five-year Plan periods.

\* Provisional data. Exports are valued at f.o.b., imports at c.i.f.

Source: The Bank of Korea, *Economic Statistics Yearbook*, various editions. *Monthly Economic Statistics*, various editions, *Korea's National Income, 1953-1963*, *The 30-Year History of the Bank of Korea, 1980*, pp. 430-431; *The 31st Annual Report, 1980*, p. 2, *The Key Economic Index, February, 1982* (New York). The Korean Traders Association, New York Office, annual reports.

was to produce for both domestic and international markets which caused an increase in export-led growth and also an expansion of the domestic market. Clearly, the process illustrates complementarities between the two. [Ref. 39:p. 439] At the same time, Korean trade policy supports the connotation that there is a positive correlation between exports and GNP. Based on comparative advantage, better utilization of productive capacity, and improvements in technology which causes economies of scale, a nation reaps the gains from foreign trade. Of course, the Korean experience presupposes a favorable international milieu and prosperous economic conditions in industrial market economies.

## **V. SIGNIFICANCE OF THE KOREAN PENINSULA**

The geographical location of the Korean peninsula is a critical factor to other nations which surround that peninsula. In this chapter, we shall describe the significance of the Korean peninsula. First, we shall ask why is it important in geopolitics. Second, what are the United States interests in the peninsula? Third, what has been the effect on this peninsula and on U.S. interests in north-east (far east) asia?

### **A. GEOPOLITIC IMPORTANCE OF KOREAN PENINSULA**

When we observe Korean peninsula, we can find its location is very delicate. It is surrounded by the four world super powers. In the relations with these four powers, it has five functions for them. First is its central location, second is an etape location, third as a base location, forth as a land-bridge location, and the last, as a buffer location. The Korean peninsula contains all the functions which we mentioned above. Thus it is of strategic importance to the four superpower countries - U.S., Japan, Soviet Union and the Peoples Republic of China.



## **1. Korean Peninsula as a Central Location**

Central location means that one area is surrounded by the other countries completely. Thus it has no front and no rear area; it can be attacked from any direction. So the central area is very flexible and changeable according to changes in the surrounding countries. History says that the Korean peninsula was influenced by two powers, mainly China and Japan. When China became strong it attacked Korea to secure an outskirts area. On the other hand, when Japan became strong, it attacked Korea to secure a route to the mainland. Even in this case, if Korea had a weak point as a central area, it doesn't mean necessarily that a central position would give a negative effect to that country which it belongs to. It means that when a central area becomes stronger than the surrounding area, it can control all surrounding areas. For example, when Germany was strong, it tried to control surrounding areas, French and Russian.

In both cases, it indicates the central country has some meaning to the countries surrounding it. In that point, the Korean Peninsula has a value for the U.S., Japan, Soviet Union and China.

## **2. Korean Peninsula as a Etape Location.**

"An etape Location is the location which is in the rear area of a war field and an important area or military operation, also for supplying for war items." [Ref. 40:p. 56]

Historical evidence for this function was shown in the Mongolian-Japan war and the China-Japan war. Genghis Khan (1167-1227) used the Korean Peninsula for making ships to attack Japan. Japan used this peninsula as a supply center to attack Manchuria. More recently the Korean peninsula has an important function as the etape location for the countries around it.

## **3. Korean Peninsula as a Base Location.**

To get the advantage during a war, a base should be located near the enemy country or near the war area. For this reason, usually the base is located on the life line of the country.

"A base can be classified as one of four types by the distance, as an outpost base, as an advanced base, as a second base and as a support base." [Ref. 41:p. 7]

Before World War II, the Korean peninsula was an advanced base for Japan during the Sino-Japan and Ruso-Japan wars. After World War II, the Korean peninsula served as an

advanced base for the friendly nations against communist nations. This is another significant aspect of this peninsula for the surrounding area.

#### **4. Korean Peninsula as a Land-bridge Location.**

A land-bridge location is the area which can give the advantage to connect or expand to the area in the direction one desires to go. Usually all peninsula countries can function as a land-bridge location. The Korean peninsula was a good land-bridge location for Japan to attack the mainland of china.

Presently South Korea is in the position of land-bridge location to the mainland and North Korea is a good land-bridge location for the Soviets to the Pacific Ocean.

[Ref. 40:p. 19]

#### **5. Korean Peninsula as a Buffer Location.**

A buffer location has the function to soften the direct conflict or shock between two areas. The Korean peninsula has that function between the communist part and the democratic part. That means it serves as a buffer between the United States, Japan, Soviet Union, and China in the far east.

The Korean Peninsula is not a big land. Also both countries in that peninsula are not strong relative to the

countries around them. But, this peninsula has a very delicate function to them. Because of this reason, it shouldn't be overlooked by any country.

## **B. POWER BALANCE BETWEEN NORTH AND SOUTH**

One critical reason for U.S. support of South Korea is the power imbalance between South Korea and North Korea. This section will attempt to show how there has been a tremendous effort for South Korea to get the Power balance between North and South. In spite of those efforts, in reality, still there exists a big power imbalance between two countries. Because of that imbalance, U.S. military support in South Korea still has a significant meaning for both countries.

### **1. South Korea's Effort to get the Power Balance**

In 1971, the U.S. government announced that there would be some troop withdrawals. This put strong pressure on the Korean government. In the beginning of 1970s there was rough military equality between South Korea and North Korea. But from the middle of that decade, the balance of power unbalance began to favor North Korea, because of the U.S. military withdrawal from South Korea and a new military build up in North Korea.

Before the U.S. military withdrawal, the Army of the North Korean Army was about 500,000. But by the end of the 1970s that troop level was increased to 600,000. In the middle of the 70's, South Korea began to feel the need for greater self defense capability, and was against the complete U.S. withdrawal from Korea. Because of this, South Korea began a systematic and strong effort for reinforcing its power.

**a. Milestone for a New Military Build Up**

The new military expansion plan was divided into two stages. "On the first one began in 1974 and finished in 1981; and the second stage ran from 1982 to 1984. [Ref. 42:p. 15]

The first stage emphasized the modernization of all equipment in the Army, Air Force and Navy. The second stage emphasized the effective use of that equipment and studying their application in war time situations were main objectives. Also, improving the domestic production ability for some equipment and repair items was emphasized.

**b. Investment for Military Reinforcement**

During this period a total of eleven billion U.S. dollars was invested. Given the size of the Korean economy, that amount of investment was significant. Tables 17 and 18 show the investment ratio during this period.

**TABLE 17. BUDGET SIZE FOR BRANCH**

---

Unit: \$ million (constant \$ value)					
	Total	Army	Navy	Air Force	R&D
First Stage ( '74 - '85)	6030	2620	950	1350	1130
Second Stage ( '82 - '85)	5020	2460	970	1280	310
Total ( '74 - '85)	11050	5080	1920	2630	1420

---

Source: DOD Report 1986

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**TABLE 18. BUDGET RATIO FOR EACH BRANCH**

---

	Unit: %				
	Total	Army	Navy	Air Force	R&D
First Stage ( '74 - '81)	100	44	16	22	18
Second Stage ( '82 - '85)	100	49	19	26	6.1
Total ( '74 - '85)	100	46	17	24	13

---

Source: DOD Report 1986

---

### **c. Defense Budget**

During this period the defense budget consumed 6% of GNP and 30% of the total budget. Table 19 shows the increases of the defense budget through this period.

As can be seen from Table 19, the defense budget increased nearly five fold from 1973 to 1981.

### **d. Acquisition Status**

Through this period acquisitions were made from domestic sources and from foreign countries; 59% of acquisitions were domestic, and 41% were from foreign sources. However, those figures do not include items which were purchased from foreign countries to satisfy domestic production. If included, approximately 70% of the budget was consumed by foreign imports. Imports from the U.S. account for 83% of South Korea's total imports. We can see, in Table 20, how much Korea is dependent on the United States in purchasing military items. Also it gave another message to the U.S., that Korea is an important arms sales partner in the world. The General Status of Acquisition ratio from friendly countries is shown in Table 21.

**TABLE 19. INCREASE OF DEFENSE BUDGET**

Unit: \$million (constant \$ Value)

Year	73	74	75	76	77
Budget	1,036	1,512	1,696	2,508	3,212
Year	78	79	80	81	86
Budget	4,066	4,413	4,986	5,236	5,468

Source: DOD Report 1986

**TABLE 20. ACQUISITION DATA**

---

Unit: \$ million

Period	1	2	Total
Purchasing			
Domestic	3570 (59%)	2980 (59%)	6550 (59%)
Production	2510	2380	4890
R & D	1006	600	1660
Import	2460 (41%)	2040 (41%)	4500 (41%)
FMS item	1570	730	2300
The rest	890	1310	2300

Source: DOD report 1986.

---

**TABLE 21. ACQUISITION STATUS FROM FOREIGN COUNTRY**

Unit: \$ million

Country	First period		Second period	
	Amount	%	Amount	%
U.S.A.	1960	83	1520	82
German	140	6	120	7
Switzland	130	6	3	0.2
Netherlands	30	1	60	3
Italy	30	1	110	6
France	40	1.5	22	1
Japan	10	0.5	1	0.1
England	10	0.5	10	0.5
Others	10	0.5	4	0.2
Total	2360	100	1850	100

Source: DOD Report 1986.

### **e. Effort Improving Domestic Production Ability**

Through more than forty years, Korea has made efforts to improve its domestic production capability (Table 22). Also Korea invested heavily in research and development (R&D). Through a new master plan, the Department Of Defense last invested 1.5 billion dollars. But, as can be seen from Table 22, still the self production ratio is very low (except for the Army). Spare items for major weapons like planes, ships, tankers, still must be imported, primarily from the U.S.

## **2. Power Balance between South and North**

### **a. Weapon System Model**

One important point in comparing the power balance between North and South is the nature of their weapon systems. After the Korean war each side developed weapon systems for their own objectives. South Korea developed mainly for defense, but North Korea developed systems for offense. North Korean policies are to unify the Korean peninsula by power. On the other hand, South Korea's constitution prohibits a first strike against any country. Because of these policy differences, the weapon system style between two country is very different.



**TABLE 22. DOMESTIC PRODUCTION CAPABILITY FOR ARMS**

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Period	First	Second
Army	70%	87%
Navy	36%	57%
Air Force	18%	24%

Source: DOD Report 1986.

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The other point is the characteristics of the weapon system itself. Weapon systems in South Korea were developed with U.S. assistance and in North Korea by Soviet assistance. At this point, we do not have to mention about the fact that the South Korean weapon system is almost entirely influenced by the United States. Thus even today the spare parts of the main weapons come from the United States. North Korea developed their weapon systems by imitating Soviet weapon systems. For example, in the case of the Air Force, North Korea is exactly the same as Soviets MIG series. The Army also uses the AK automatic rifle, SAM missile. The Navy uses KOMAR and OSA. One point what we should mention is that all these weapon systems can be used independently by North Korea, without any assistance from the Soviet Union or China. Thus they are prepared for a first strike. Also they maintain a high capability to surprise attack. This military policy follows the North Korean unification policy which is designed to be carried out by power, when they think it's possible. By the way, one other point in weapon system, is that the weapon system in Korean peninsula is just like as a tabloid edition of those of U.S. and Soviet. So if, war does happen in Korea

it will be a good test for evaluation of the weapon systems for both sides.

Finally, in those points of view not only military side but also political, the weapon system of South and North can have significant meaning, and show the potential in the future.

**b. The Military Force of South and North**

The present size of the North Korean military is approximately 838,000. [Ref. 43:p. 63] North Korea population is almost twenty million. Thus, the ratio of armed forces versus population is 4.2%. This ratio is second only to Israel which has 4.3%. Also North Korea has the world's fifth largest military force. In spite of this superior power against South Korea, North Korea persists in its effort to increase more troop strength and modernize them.

By 1988 South Korea's force grew to 629,000. Because South Korea's total population is twice the size of North Korea's, South Korea's ratio of military personnel to total population is much lower than that of North Korea. This power imbalance is indicative of their basic policy to control the Korean peninsula. North Korea has always pursued an offensive posture; South Korea relies on defense.

The following table shows the general status of force of both sides.

As shown in Table 23, there is a big gap between the two countries. Especially in the case of the Navy and Air Force South Korea's force is approximately half of North Korea's. Presently, U.S. forces help to close this gap.

Table 24 indicates power ratio between South and North Korea. Actually, this ratio was much lower a decade ago. But, through South Korean efforts to strengthen their military power, it has improved. Table 25 shows the ratio change from 1974 to 1985.

By direct comparison of military power, in all aspects South Korea is inferior to North Korea. To that point, U.S. forces in Korea play a significant role not only in filling up the power gap but also restraining acts of aggression by North Korea.

**c. Comparison of Military Expansion between North and South**

The competition of military expansion between South and North is very critical. As was mentioned in the previous section, North Korea has superiority over South Korea in total military force. Another problem is that North Korea has continued to rapidly increase their force

**TABLE 23. COMPARISON OF THE MILITARY FORCE OF SOUTH AND NORTH KOREA**

Distinction		South Korea	North Korea
Military Manpower	Total Active Force	629,000	838,000
	Army	542,000	750,000
	Navy	54,000	35,000
	Air Force	33,000	53,000
	Para Military	5,780,000	5,170,000
Army Equipments	Artillery	3,300	6,000
	Tank	1,300	2,900
	Armed Vehicle	1,050	1,690
Navy Equipments	Submarine	0	27
	Total Naval Vessel	228	566
Air Force Equipments	Fighter & Bomber	476	840
	Transport	61	352

Source: The International Institute for Strategic Studies, *The Military Balance 1987 - 1988*, London, IISS, 1988. pp. 162-165.

**TABLE 24. POWER RATIO BETWEEN SOUTH AND NORTH**

Army		Navy		Air Force	
Division	0.71	Destroyer	3.72	Fighter	0.60
Commando	0.22	Missile	0.35	&	
Tanks	0.35	ship		Bomber	
Howitzer	0.55		0.47		
Missile	0.03	Submarine	0.15		
		& anti-			
		Submarine			
		(No submarine			
		in South Korea)			
Total	0.61	Total	0.59	Total	0.60
Source: DOD Report 1986.					



**TABLE 25. POTENTIAL RATIO INCREASING TREND**

Unit: %								
Year	74	75	76	77	78	79	80	81
Army	58.1	58.0	58.4	58.5	58.8	58.7	59.1	59.3
Navy	39.8	41.2	42.5	47.1	47.2	45.2	49.7	49.3
Air Force	39.5	41.0	41.8	38.9	43.3	43.2	42.0	43.8
Total	50.8	51.2	51.9	52.3	53.2	52.9	53.8	54.2
Year	82	83	84	85	Ratio Increasing			
					74-81		82-85	
Army	59.6	61.3	63.8	60.9	1.2		1.6	
Navy	53.1	59.5	55.8	59.4	9.5		10.1	
Air Force	51.1	51.9	52.7	59.9	4.3		16.1	
Total	56.6	59.1	60.2	60.5	3.4		6.3	

Source: ROK DOD Report 1986. p. 20.

(faster than growth in South Korea's military). Appendix C shows the military expansion tendency between South Korea and North Korea. Those tables indicate North Korea is more aggressive in military expansion.

### **3. Arms Transfer Tendency and North Korean Bellicosity.**

In case of arms transfer, the general tendencies of South and North Korea are different. North Korea's basic reunification policy is based on their military power. Thus North Korea is characteristically offensive and hostile. On the other hand, South Korea's reunification policy is based on peaceful negotiations. Thus, South Korea's tendency in arms transfer is relatively defensive and not so much hostile to North Korea to North Korea. This chapter shows a comparison of arms transfer tendencies between South and North. It also discusses North Korean hostility against South Korea, as evidenced by past incidents of aggression.

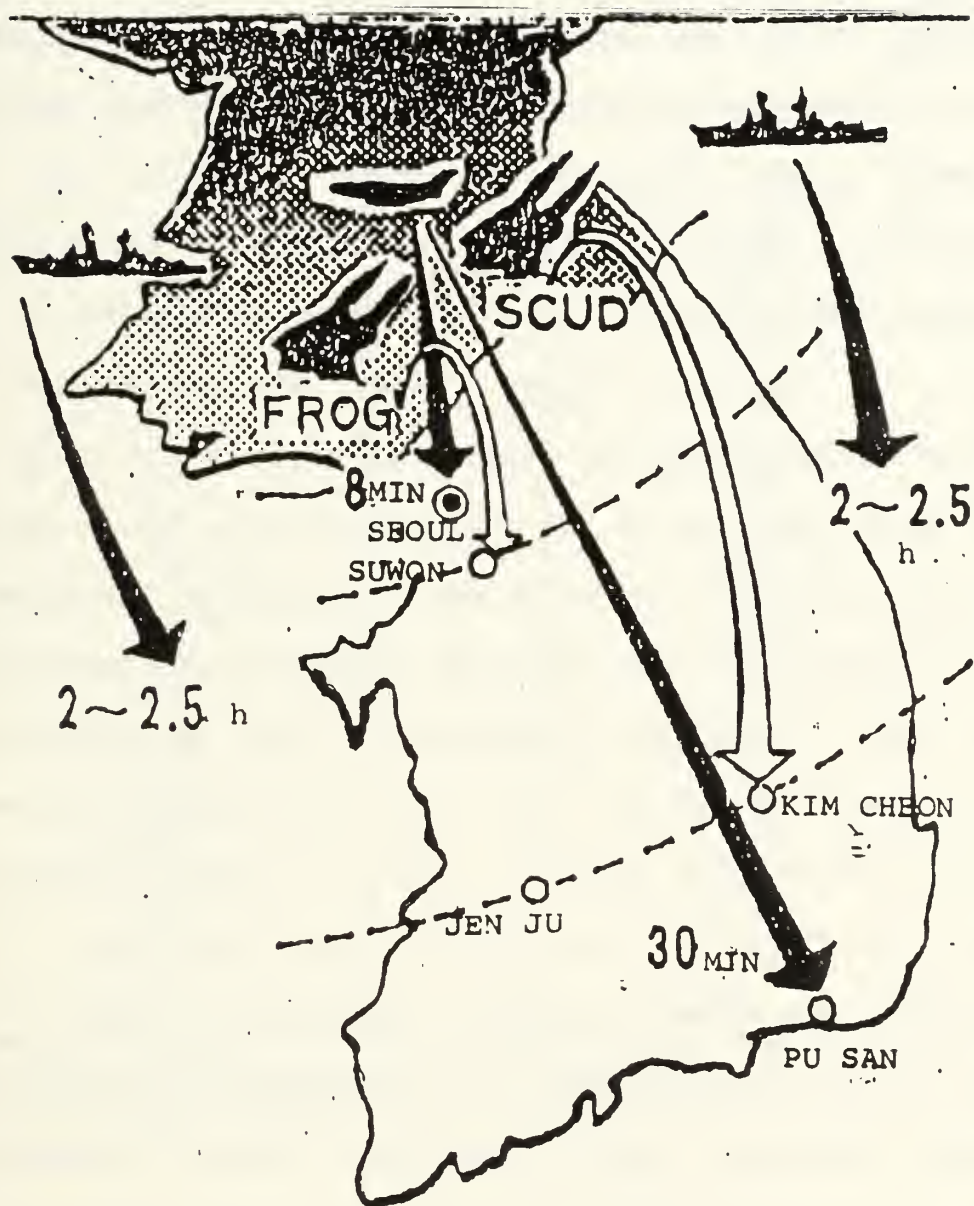
#### **a. Comparison of Arms Transfer between South and North**

The previous chapter shows that the total power of North Korea is superior to South Korea. While North Korea has a numerical advantage, the two sides are still competitive in the quality of their arms. Typically supplied by the U.S.S.R. North Korea generally sticks to offensive arms, while South Korea, supplied by the U.S.

acquires defensive arms. Recently North Korea purchased the MIG 29 fighter. [Ref. 44:10-4] This factor is further evidence, that North Korea focuses on strong offensive power. Appendix D shows a general comparison of arms purchases between South and North Korea.

As can be seen from Appendix D, because of unceasing arms acquisitions, North Korea seems well prepared for war in both the quantity and quality of arms. North Korea is now equipped with 5460 armored vehicles, 410 combat ships, 820 fighters and 870,000 personnel in their standing Army. North Korea's military capacity is shown in Figure 3.

As currently equipped, North Korea can carry out an independent military campaign for four to six months. Thus the threat of war continues to exist. One significant problem is even though South Korea invests the same ratio of GNP, at least after 1994, South Korea's comprehensive military budget will be equal to North Korea. Furthermore, military power itself will be narrowly equalized at least after the beginning of the 21st century, because of difference of investment to welfare. [Ref. 45:p. 23]



**Figure 3. Potential of North Korea**

Source. Korean DOD Report 1988.

## **b. *Bellicosity of North Korea***

According to history, ancient Korea was subject to repeated attacks from other countries. Throughout their history, Korea was attacked more than nine hundred times from outside, mostly from mainland China. Thus most of the attacks began from the northern area of the Korean peninsula. Because of that, the people of North Korea may be more familiar with war and may be more warlike.

On the other side, North Korea's basic reunification policy is reunification by war. Thus through the forty four years of divided history, North Korea has already broken out in civil war. Even after the Korean war, North Korea broke the armistice thousands of times and tried two times to kill the president of South Korea using North Korea's special forces. In 1968, North Korea's Kim sent one platoon of special forces to Seoul to kill president Park. Again in 1983, a North Korea sniper exploded a remote control booby trap at Aung San Cemetery in Burma. In this case, they planned to kill the president during his visit to another country. This is manifest evidence showing North Korea's hostility against South Korea, and making trouble to cause a second Korean war. Table 26 shows more evidence of North Korea's submerged plan.

**TABLE 26. NUMBER OF NORTH KOREA'S ACTIONS AGAINST ARMISTICE**

Year	Army	Navy	Air Force	Total	Accept
1953	11	0	28	39	2
1954	1	1	20	22	
1955	3	0	12	15	
1956	2	0	2	4	
1957	50	1	9	60	
1958	86	3	7	96	
1959	208	0	1	209	
1960	177	6	0	183	
1961	723	8	5	736	
1962	608	3	0	611	
1963	979	6	0	985	
1964	1,294	1	0	1,295	
1965	493	2	2	497	
1966	708	3	0	711	
1967	485	8	1	494	
1968	777	2	1	780	
1969	505	16	1	522	
1970	904	8	1	913	
1971	2,479	4	0	2,483	
1972	5,160	0	0	5,160	
1973	5,407	8	0	5,415	
1974	4,983	2	0	4,985	
1975	5,232	4	15	5,251	
1976	7,220	0	1	7,221	
1977	2,945	0	1	2,946	
1978	2,256	3	0	2,259	
Total	43,696	89	107	43,892	2

Source: *International Issue*, International Institution Corp. Seoul, 1979, p. 80.



These factors are significant to the South Korea. Because South Korea has not established a perfect power balance to North Korea. These factors add to the importance of having U.S. forces in Korea until such time as a balance of military power is achieved.

### **C. SOVIET MILITARY EXPANSION IN THE FAR EAST**

One important factor which can give more significance to Korea, is the Soviet's military expansion. Soviet military expansion in this area means not only an increase in the support capability to North Korea but also threatens the power balance in the Pacific Ocean. Also, as the far east area is becoming more economically important, the U.S. will be more concerned with this area. So in this chapter, the basic Soviet foreign policy will be described along with an historical background about the military expansion in the far east, Soviet military build up in the Far east, and total power balance between communist countries and democratic countries.

#### **1. Soviet Foreign Policy in the Far East**

##### **a. Sino-Soviet Relations**

After the 1960s conflict between China and the Soviet union, Sino-Soviet relations become a very important factor in determining general policy in this area. Before

the middle of 1960s, Soviet foreign policy focused on western Europe and Germany. But, because of the border conflict with China in 1969, the Soviets began to change their policy in this area. After that incident, the Soviets relocated approximately 25% of the Army, 25% of its Air Forces and 30% of their Navy. [Ref. 46:p. 86] Of course, these forces play a role in constraining China as well as U.S. & Japan. Even though the Soviets and China are of the same communist block in ideology, in reality, they confront each other. So the first priority of the Soviet strategy in this area is to block China completely. For this purpose, the Soviets will stick to the Korean Peninsula to get the decisive advantage. If the Soviet Union can get the Korean Peninsula, it will satisfy the following four factors: First, Soviets can envelop the Chinese with the line from Mongolia-Siberia-Maritime Provinces of Siberia-Korea peninsula. Second, Soviets can control the yellow sea and constrain the Chinese fleet in this area. Third, Soviet can secure the Japan sea and the straits of Korea. Finally, the Soviets can use the Korea Peninsula as a buffer zone against U.S. and Japan. Therefore, the Soviet policy against China will have much influence on Korea.

### **b. U.S. - Soviet Relation**

After World War II, the Soviets emerged as the second super power following the United States. The relation between U.S. and the Soviets in the Far East has been strained from the end of World War II to present. This was particularly acute during the Korean war when the two countries had confrontations in Korea. Even though the United States and the Soviets pursue peace through Detente, they continue to have power struggles while seeking the initiative. In reality, the Soviets are more positive toward Detente because of their weak position which is due to the need to divide his power in two areas; Europe and Far east. On the other hand, Soviets have expanded their military power more rapidly than U.S. in this area. As long as Korea remains a divided country, the opposition between U.S. and Soviet will continue as it has for a considerable period in the past. Also, the Soviets will accelerate their power in proportion to the increase of economic and strategic importance of this area.

### **c. Japan - Soviet relations**

From the end of 1960s, Japan emerged as a big economic power. Thanks to that power, Japan occupied a considerable position in the Far east power balance. So

Japan had become another factor which should be considered in Soviet foreign policy. Soviet policy toward Japan can be viewed in various perspectives. First, the Soviets will try to get Japan's support to block China. Second, Soviets will use Japan to weaken U.S.- China relations. Third, the Soviets will prevent Japan from getting close to China. Finally, Soviets will try to strain U.S.- Japan relations.

The deteriorating relationship between the Soviets and China and the improving relations between the United States, Japan and China, make the Soviets more concerned about Japan-Soviet relations. On the economic side, the Soviets need Japanese capital and technology especially to develop the Siberia where the Soviets want Japan's support. Soviet's economic cooperation with Japan have two important goals. The first one is to get a stable market for Soviet resource materials. Second, Soviets can receive Japan's high-tech which is necessary for Soviet economic development. [Ref. 47:p. 15] On the political side, we can assume soviet's strategy. First, thanks to an economic relation with Japan, the Soviets can influence Japan - China relations and U.S. - Japan relations. Second, by composing the resource alliance, the Soviets can make Japan less dependent on these sources. When we consider

Japanese propensity to pursue economic interests so that many were named 'Economic Animal', these assumptions can possibly become a reality. So, U.S. policy in this area should consider these situations.

#### **d. Soviet-North Korea Relation**

The other factor which influences Soviet policy in this area, is the relationship between the Soviets and North Korea. Through history, Soviets have supported North Korea as the most friendly partner. North Korea imitates Soviet's ideology and system, and the Soviets provide all things which are necessary for North Korea to attack South Korea. At the end of the Korean war, North Korea could survive the complete loss, thanks to the Soviet's support. From 1945 to 1970, 47% of total economic Aid to North Korea was given by the Soviet Union. Actually, in Soviets foreign policy in the Far east area, North Korea is an important factor in implementing that policy because of North Korea's Geo-Politic importance. Especially after Soviet-China border dispute, the Soviets increased their support for North Korea because if North Korea became close to China then this would be critical to the Soviets and vice versa. So, the Soviets are very careful to consider North Korea's opinion in making decisions. The final objective of Soviet



foreign policy in this area is to secure all of the Korean Peninsula with the minimum goal to at least secure North Korea. [Ref. 46:p. 94] In view of these points, there is sufficient potential to agree with and support North Korea, when North Korea wants to start a second Korea war in this peninsula.

#### **e. Soviet General Foreign Policy**

The Soviets have the biggest land area on the earth. In spite of that, the Soviets do not have much useful land. The Northern part of the Soviet Union is composed of tundra and the Southern part is enveloped by other countries. There are too many geographic constraints to have a primary Naval Power base. So, from very early times, the Soviets basic policy is to expand their borders South to warmer areas where ports do not freeze. At this point, in the case of the Far east area, the Korean peninsula is the only alternative for the Soviets because there is no other weak country to consider as its objective. They would not consider to expand to China or Japan. So, at this point, the Korean peninsula will certainly be included in the Soviet's foreign policy.



## **2. Soviet Military Expansion in the Far East**

As was mentioned during the Soviet foreign policy discussion, the Far East has been an important area of concern for the Soviets, as the second military priority under Europe as a theater of war. During the past two decades, Soviet forces in the Far east have been substantially expanded and improved and now are capable of large scale offensive as well as defensive operations. This increased potential seriously effects not only South Korea's security but also US dominance in Pacific ocean.

### **a. Trend of Military Expansion**

Soviet ground forces east of the Urals, including those on the Sino-Soviet border, increased from 150,000 in 1965 to more than half a million men in 1988. They are organized into 56 divisions plus 5 artillery divisions and 2 air assault brigades.

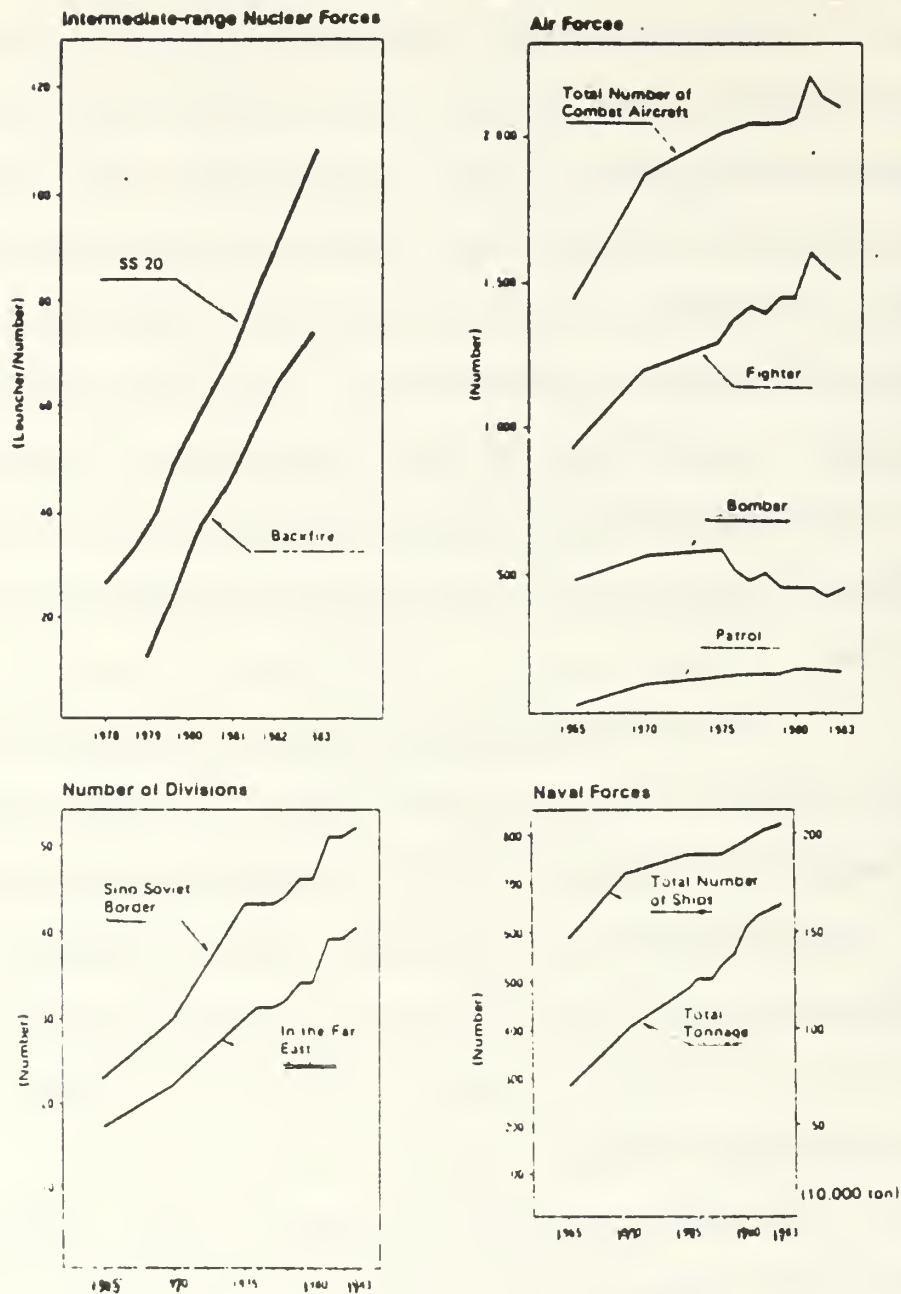
Approximately thirty nine divisions, some 360,000 men, are in the Far east, roughly east of Lake Baykal including a division-sized force in the Northern territories claimed by Japan.

The Pacific fleet, the largest of the Soviet's fleets, has grown steadily since the mid-1960s from about 50 principal surface combatants to 82 today including 2

carriers. [Ref. 48:p. 141] The 1979 assignment of the Kiev-class aircraft carrier Minsk to the Pacific fleet highlights the qualitative aspect of the improvements that have taken place which also include the addition of other major surface vessels, including a second kiev class. There has been an equally impressive improvement is the expansion of submarines in both quality and quantity. In 1989, the Soviets equipped with 76 attack submarines, 26 SSGN/SSG and 50 SSN/SS. The Soviets have one naval infantry division in this area.

Soviet Naval Aviation in the region has grown by over 50 percent since the mid-1960s, and long-range naval Tu-26 Backfire Bombers have been deployed since 1980. In 1988, the Soviets had one regiment of TU-26 backfire. The tactical aviation fixed wing force in the Far East has also dramatically increased to well over 1,390 combat aircraft with 150,000 men today.

In the case of strategic nuclear weapons, the Soviet Union deployed 385 SLBM, 384 ICBM and 171 IRBM, today. [Ref. 48:pp. 142-143] Figure 4 shows the trends of Soviet Far Eastern Forces.



**Figure 4. Trends of Soviet Far Eastern Forces**

Source: Prospects for increased U.S. - Japan Defense Burden Sharing: p.29.

In sum, as shown above, during the past two decades, the Soviet Union has tremendously increased its his conventional and nuclear forces in the Far East. As a result, they now pose a potential threat to the security of Far East area.

**b. U.S. Response to the Growing Soviet's Military Expansion in the Far East**

"An appropriate response by the United States and its allies must involve a combination of low-key but appropriate military measures and assiduous efforts to build a political consensus among allied and friendly governments, reinforced by public information about the Soviet threat."  
[Ref. 48:p. 14]

It is a clear why U.S. and allied nations feel some pressure because of the Soviet's military expansion in this area. To eliminate such pressure there are several conditions. First the United States should maintain an effective retaliatory force in this region. Second the United States and allied Governments can undertake a variety of relatively passive measures to ensure the survivability of the American retaliatory force. Third, America's allies should maintain sufficiently robust conventional forces, to counter non nuclear threats by the Soviet Union and its allies. Fourth, Arms control negotiations should be one

aspect of a comprehensive response to the Soviet challenge.

[Ref. 48:p. 15]

At this point, for the American goal of checking the Soviet's military build up, the Korea peninsula provides a strong means to support them.

### **c. The South Korean Response**

The military build-up by the Soviets has caused great concern for the nations around Soviet Union. South Korea is one of those countries. Maybe, South Korea is the country which has the greatest concern because, the greater the power of the Soviets, the stronger its support to North Korea. So, in the midst of the improving Soviet military posture in the Far east, the South Korean Government has pursued a dual-track policy of maintaining formally hostile relations with the Soviet Union while quietly promoting conciliatory relations with the same country and China. The recent opening of a Trade center between the two countries is one result of such informal contact. But still, the South Korean efforts have not been sufficient to date to decrease the Soviet threat to the peninsula. What is needed in addition, is a more sophisticated Politico-military response by the U.S. to the Soviet military build up in the region. [Ref. 48:p. 153]

Also, the shoot down incident against Korean Air Lines Flight 007 has established widespread distrust of Soviet intentions, among Asian leaders and publics, especially, from Korea itself. Even though, the present situations between the two countries looks like it is developing into better relations, still the Soviet's military expansion in the Far East gives a criticality to Korea as well as to the United States and the allied nations.



## **VI. THE ROLE OF U.S. FORCES IN KOREA**

The U.S. role in Korea has two frontiers. One is the Korean view and the other is the United States view. On the Korean side, U.S. forces in Korea act as a deterrent to war and to assist information collection. The United States view is that their main roles are to secure the Far-East and maintain the power balance, in this area, with the Soviet Union.

### **A. WAR RESTRAINT**

During the Korean war, the United Nations lost 58,686 troops and 118,929 were wounded; they also spent eighteen billion dollars. Most of the troops and funds were supplied by the U.S.

Thanks to their effort Korea could survive. After the Korean war, the U.S. stayed in Korea, with commanding authority of the military operation. U.S. forces in Korea have carried out the war constraint mission successfully. In addition, China and Japan still want the U.S. troops to stay in Korea as the best way to keep war from happening again. [Ref. 49:p. 3] U.S. forces in Korea give psychological pressure against North Korea, because U.S. the

Army and Air Force in Korea are inferior to North Korea in numbers but they have a tremendous superiority to North Korea in quality. This means that the U.S. forces in Korea are the number one barrier against North Korea from attacking South Korea. Also U.S. troops ensured that if war does break out, the U.S. can reinforce the troops in Korea immediately, in accordance with the War powers resolution which was confirmed in 1973. The U.S. locates its forces where they can't yield to any country, also if some countries attack these troops the U.S. would consider that situation as attacking against America. So, in this situation the president can send its forces without congressional approval. There has not been a war where U.S. troops stayed indefinitely. This has a significant meaning to the role of U.S. forces in Korea.

In spite of the U.S. troop's superiority in quality, North Korea has challenged the United States authority to use U.S. response during the past. Table 27 indicates the main incident were caused by North Korea. Each of these incidents developed gradually to the critical perplexion, but under the U.S. authority, it reveals its superemecy by an aggression and truculent toward North Korea.

**TABLE 27. NORTH KOREA INCIDENTS AGAINST THE UNITED STATES**

Year	Incident
1968	Capture the US intelligence ship, Pueblo
1969	Shooting down the US reconnaissance Plane (EC-121)
1976	8.18 Incident (Killed two U.S. officers by axe)
1981	shoot the missile against US SR-71

Source: *Security in Korea Peninsula*. An Bung Jun, Seoul, BUB MUN COM. 1986. pp. 303.

According to the previous chapter, we have discussed the comparison of military power between the South and the North. The South has a disadvantage in military force, and another disadvantage that Seoul is located within 40 miles from the DMZ (Demilitarized Zone). It gives a lot of difficulty to the Defenders. Under this situation, U.S. Second Division needs to be imposed between the DMZ and Seoul which is too critical to emphasize. Finally, the U.S. force in Korea acts as a heavy weight in restraining the war.

#### **B. MILITARY INTELLIGENCE SUPPORT**

Modern warfare can result in a national total destruction. Most of countries have tried to maintain a minimum of military power to secure their countries. Instead of that, they improve their mobilization capability. Here is a problem. Even though, the mobilization potential is very high they cannot use it in a timely and correct manner, because of the enemy's surprise attack. Therefore, the potential has no meaning. On the other hand, the intelligence has a significant meaning.

In Korea's situation, the intelligence is highly important. If enemy use the air power, they can attack Seoul at least in eight minutes. Also, they can attack

Seoul directly by using long range missiles. Under this critical environment, the intelligence support by U.S. forces is very important.

"Two main points by U.S. intelligence troop in Korea are the early warning and surveillance." [Ref. 44:2]

This kind of intelligence activity is carried out by U.S. high-tech intelligence equipment and intelligence systems. In the Korean position, the development of dependent intelligence operations will be difficult because of the equipment purchasing problem, technology, budget problems and the skill to use them. Thus, the role of intelligence support by U.S. forces will be significant for a considerable period.

#### **C. MAINTAINING THE POWER BALANCE AGAINST SOVIET IN THE FAR EAST**

U.S. forces in Korea have dedicated themselves to secure the peace in the Far East by restraining the war in Korea peninsula. On the other hand, the United States sees the way to constrain the Soviet forces in Western Europe more effectively. By locating U.S. forces in the far east area, the U.S. has forced the Soviets to divide their troops into Western and Far East areas.

Geographically, the Soviet Union can be divided into two parts by the Ural mountains. So, in a contingency the Soviet will not move its Far East troop to the Western front because of U.S. forces in the Far East. Mr. Schlesinger said to the U.S. forces in Korea that they should not only keep the peace in that area but also dedicate indirectly to the western Europe security. [Ref. 50:p. 503]

In the Army's case, there is only one U.S. division in Korea, but the Soviet has fifty Six divisions in the Far east area. According to military size, it is questionable to pursue power balance between the United States and the Soviet. In this case, the U.S. includes all units in the Pacific area including Japanese troops and China forces as a constraining power against Soviet.

Another purpose of the U.S. forces in Korea is to provide security for Japan. As mentioned in chapter V, Korea can be considered as a guide post for Japan against communism. In reality, the U.S. began to withdraw its troops in Asia with the Nixon Doctrine. During the Reagan administration troop withdrawal stopped. Still, there would be some possibility about the withdrawal of U.S. forces in Korea, but in that case, U.S. has to consider the multiple role of U.S. forces in Korea for all friendly countries.



#### **D. ROLE OF CONSTRAINING JAPAN'S MILITARY REBUILT**

After World War II, Japan didn't invest in rebuilding its military. Without a serious defense burden, Japan expanded in economic growth thanks to the U.S. forces in Korea and Japan. If the U.S. forces withdrew from Korea completely, then the Far East U.S. advanced post would have to move from Korea to Japan. And then, Japan would feel more pressure from communist countries: the Soviet Union, the People's Republic of China and North Korea.

This shift could cause Japan to be more militaristic towards their national security. On the other hand, even today's Japan is one of the friendliest countries to the United States in the economic and military aspect, but Japan is the only country which has attacked U.S. territory directly. In this aspect, if Japan becomes more militaristic, the United States could feel more uncomfortable in Pacific area security.

U.S. forces in Korea can assure Japan's position, i.e. remaining in the rear area of the front line against communists. At this point, U.S. forces in Korea are doing an important role for the relationship between Japan and the United States.

## **VII. THE PRESENT QUESTION BETWEEN U.S.-KOREA**

Today, there are some questions between U.S. and Korea. During the past forty years the U.S. has kept its favoritism and the best interest with Korea. Also, the U.S. has influenced almost every aspect of Korean society. As the time passed the situation changed. Thus, the relationship between two countries confronted some new issues. These are: burden sharing problem, commanding Authority problem, and U.S. force withdrawal problem. This chapter discusses these problems from the Korean view point.

### **A. HISTORICAL BACKGROUND OF U.S. FORCES IN KOREA**

At the end of the World War II, Korea was divided into two countries. The Northern part was occupied by the Soviet troops, and U.S. troops landed in the Southern part of the Korea. In the 1949, U.S. forces withdrew away from the Korea, but U.S. forces mobilized and took over the authority during the Korean war in the 1950, under the UN troops. In fact, 98% of air force, 84% of Navy and 88% of Army of armed forces were the U.S. forces. In July 1950, all commanding rights were delegated from President Lee sung Man to

General MacArthur. In 1978 commanding Authority was transferred to the U.S.-Korea combined headquarters.

## **B. BURDEN SHARING PROBLEM**

According to the growth of the Korean economy, the burden sharing problem between U.S. and Korea appeared as a hot issue. Also, because of the trade unbalance between the two countries, there existed more turbulence between the two countries.

At the 1988 annual U.S.-Korea defense seminar, the vice secretary of Defense in the U.S. announced that "Even though Korean government had provided and supported the facilities for the U.S. troops in the Korea, the U.S. requested more quality. Due to these requests, the tension and recession affected to the growth of the Korean economy. Also, at the same seminar the U.S. suggested to withdraw 10% of U.S. forces from Korea. This kind of suggestion could be an indication of a burden sharing problem between the U.S. government and Korea. In fact, the Korean burden sharing ratio to U.S. is not low compared with other allied nations. Table 28 indicates the main allied nation's Defense budget ratio from GNP.

TABLE 28. DEFENSE BUDGET RATIO

Unit: %

Country	US	KOREA	JAPAN	GERMAN
Ratio	6.7	6.0	1.0	3.0

Source: "Korea Daily" (1988, 12. 30)

Table 29 shows allied nation's burden sharing ratio to U.S. forces who stay in their own country. As can be seen from Table 29, the Korean burden sharing is relatively high compared to the other nations.

Still, the U.S. forces in Korea have given considerable advantage to the Korean defense issue. Also, there have been more advantages to the United States in the past if it is considered that the Pacific region's economic and political power are growing. For example, in the economic side, the amount of U.S. trade exceeds that of U.S.-European countries. By U.S forces staying in Korea the United States can guarantee economic activity and keep the sea lanes open against any hostile activity in this area. Also, in the political aspect, when we consider the United States, China, and Japan blocks to communist expansion the United States may have a hegemony in decision making within this block just by being there.

Also, according to the Korean viewpoint, South Korea shouldn't be considered a "cheap ticket" for its own security due to its economic growth and trade interest. On the contrary, it is required to have a well harmonized result between the two countries such as the burden sharing.

**TABLE 29. STATUS OF BURDEN SHARING (1986)**

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Country	KOREA	JAPAN	GERMAN
Force	41,000	45,000	40,000 (NATO)
Sharing (\$ million)	1,290	1,260	5,000-6,000
\$/capita (\$ thousand)	31	28	12-15

Source: "Korea Daily" 1988, 12. 30.

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## C. U.S. TROOP WITHDRAWAL

The U.S. forces presence in Korea is a critical factor in constraining war in the Korea peninsula. Today, even though some Korean people think about the U.S. role in Korea negatively, still the public opinion to U.S. forces is very positive. In fact, in the case of the U.S. forces withdrawal issue, there was not any hostility with America's constant policy. That policy was very flexible according to the U.S. president. For example, President Carter pursued the U.S. forces withdrawal, but President Reagan was convinced that no withdrawal was appropriate and worked for higher security in Korea. The U.S. policy is very flexible, and Korean people generally think that U.S. forces need to stay for a considerable period. Figure 5 shows the Korean's general opinion about the U.S. force withdrawal. This survey has done by the Korea Gallop studying center in 1988, by using 800 people who were randomly selected above age 20.

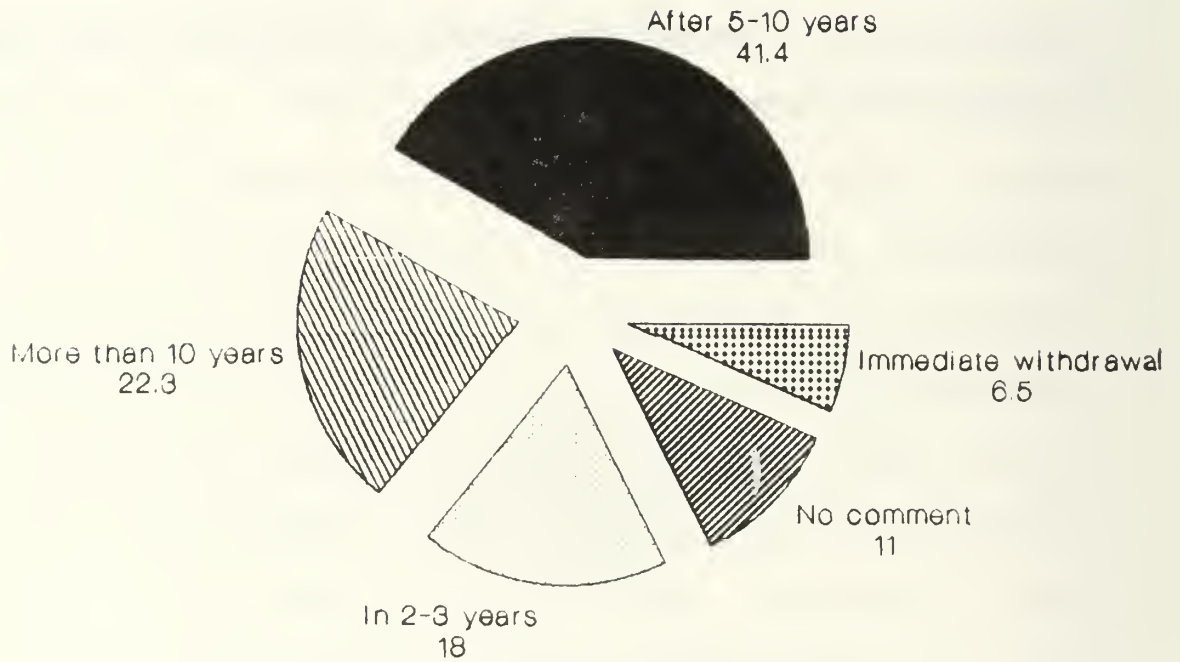
On the other hand, one general American view point has suggested the U.S. policy which is to withdraw the U.S. forces from the Korea.

Before President Bush visited Korea, Richard Hall Burke, who served as a secretary assistant of the East Asia and Pacific part, said the following:

The U.S. forces in Korea shouldn't be withdrawn unilaterally by the U.S., even though ultimately the U.S. should withdraw U.S. forces from Korea. Because the U.S. forces in Korea have kept a numeric power balance the policy shouldn't be changed just in reaction to the rapid situational and environment changes of Korea.

By the time when two countries have considered that Korea can stand on the transitional stage to Economic growth and move toward democratic society, U.S. forces should stay in Korea as a power balance factor.

Unit: %



**Figure 5. Public Opinion About the U.S. Force Withdrawal Issue**

Source: *Korean Economic News Paper*, 1988, 12. 18.

#### D. COMMANDING AUTHORITY ISSUE

In this decade, because of the rapid changes of countries surrounding Korea, the commanding Authority problem between the U.S. Forces and Korea emerged as a another hot issue. In the present situation, after the foundation of the U.S.-Korea combined headquarters in the 1978, the commanding Authority moved the headquarters from the UN forces commander and U.S. Eighth Army Commander. In reality, because the U.S. Pacific Headquarters have been controlled by the combined headquarters, we can say that it is almost transferred to the U.S. Pacific Commander. [Ref. 44:10]

On the other hand, U.S. forces commander General Louis Menetri said:

When the treaty of Armistice which was signed by the UN commander and North Korea's and China's commander, can be substituted as an other treaty, there will be some changes in the U.S. commanding authority to Korea forces... the change of the Armistice treaty needs some changes and hope to be changed in a reasonable direction.

Especially in the beginning of 1980s, the Korean people's distrust began to emerge after the disclosure of U.S. involvement related with the operation commanding Authority in the Kwang Joo civil protest. In reality, the 20th division of Korean Army was committed to the Kwang Joo

incident to subjugate this protest. In commanding channel, this 20th division is directly subordinated to the Combined Field Army of which was a U.S. General was positioned as a commander. Thus, the United States naturally involved in the Kwang Joo civil protest due to the viewpoint of commanding authority. [Ref. 51:p. 717]

According to public record, this incident began May 18, 1980, and ended May 27 of the same year. What happened in this period was the collision between the military and armed civilians. As a result, several people were killed and a couple of hundred wounded.

In fact, this commanding authority issue is a very sophisticated subject in politics and also in a military view point. In this supplementary discussion, there are some of the issues that have been mentioned between the U.S.-Korea, concerning questionable circumstances.

In summary, an appropriate solution for both countries for their best interest is that U.S. need to stay as an absolute war constrainer and peace keeper of this country as well as the allied nations around that peninsula.

## VIII. CONCLUSION

During the last forty years, U.S. forces in Korea have been dedicated for the Korea's military sector as well as economic sector. The role and contribution of the U.S. forces in Korea has been extensive for a newly independent nation recovering from the Korean war and for the maintenance of national security, economic and social development, and civilization as a whole.

Clearly, the U.S. forces in Korea have contributed immeasurably to the modernization of Korean armed forces and to the development of the nation. This kind of U.S. image was kept until the end of 1970s. But in the beginning of 1980s, the commanding authority issue and the trade conflict between U.S. and Korea made Korea feel more pressure against the United States. Even though something happened to U.S.-Korea relationship, still there can be no doubt that this relation is strong and absolutely necessary for the peace keeping in Korea.

It is true that the surrounding situation of Korean peninsula is getting more complicated. South Korea opened the door to the communist block, and also North Korea tries



to improve ties with the United States and Japan. But these phenomena do not necessarily mean that there would be no conflict in this area. As reviewed previously, the potential of conflict always exists and is high.

In reality, in spite of the truth that Korea still needs U.S. assistance to maintain stability, there exists some difference of opinion between the United States and Korea. First, there is considerable talk about dealing with the burden sharing problem. The United States thinks Korea has grown economically and can now share more burden, for maintaining the U.S. forces in Korea. But, Korea itself, doesn't think it has enough economic power to satisfy U.S. demands. Actually, the Korean Economy appears to have grown much externally, but it still has a basic structural problem due to the Korean economy that depends much on the outside influences, such as resource price, and etc.. On the other hand, Korea should not persist in short changing its security. Therefore this burden sharing problem should be studied more and worked out together.

The second point is that of a military operation commanding authority. This is more involved politically so it should be studied more thoroughly.

The third difference of opinion is the U.S. forces withdrawal issue. This problem has something to do with burden sharing issue. Also, it is related to how U.S. forces are viewed in evaluating U.S. forces presence in Korea. If the U.S. evaluates the U.S. forces in Korea as purely for Korean security then the United States can ask more for burden sharing from Korea. In view of this if, Korea cannot accept the request, maybe there would be high potential for withdrawal of forces from Korea. On the other hand, if the U.S. evaluates the U.S. forces in Korea, as the general peace keeper, not only for U.S. itself in pacific ocean but also for the allied nations in this area, the possibility of forces withdrawal will be low.

In sum, when we consider all aspects, clearly the significance of the role Korea plays in the interests of allied nations is very high. Also, there can be absolutely no doubt that the U.S. has contributed to Korea's development in almost every aspect including security. But the present problems and emerging problems between U.S. and Korea, are not necessarily optimistic. The future of the two country's relationship needs more support and understanding and communication for the interest of both countries.

## APPENDIX A

### U.S. SECURITY ASSISTANCE TO THE REPUBLIC OF KOREA (U.S. 4 million/FYa)

Fiscal Year	Total	(Grant) Fund	Training Del Grant	FMSc Credit	Orders	Del	DELd EDA
49-52	11.7	-	-	-			
53-57	527.8	-	-	-			
1958	331.1	-	-	-			
1959	190.5	-	-	-			
1960	190.2	total	total				
1961	192.2	1950-65	106.3				
1962	136.9	\$970.1	1950-66				
1963	182.5						
1964	124.3						
1965	173.1e						
1966	153.1e	161.7	153.1				38.6
1967	153.4e	169.4	149.7	3.7			8.3
1968	205.5e	253.4	197.4	6.0	-	1.5	51.4
1969	373.1e	425.2	365.2	7.2	-	3.1	49.3
1970	473.8e	313.1	466.9	5.0	-	1.9	133.6
1971	432.1e	521.0	411.7	5.4	15.0	0.4	51.0
1972	502.9e	470.4	481.2	4.7	17.0	8.8	24.6
1973	291.7	296.6	264.7	2.0	25.0	1.6	37.3
1974	149.9	91.1	91.7	1.5	56.7	100.3	35.3
1975	194.4	78.2	134.1	1.3	59.0	214.3	16.6
1976	437.9	59.4	175.6	2.3	260.0	616.0	7.0
1976T	1.3	1.1f	-	-	1.3	-	-
1977	169.0	1.1f	15.3	1.3	152.4	656.1	7.3
1978	302.8	0.4f	26.3	1.5	275.0	390.3	0.9
1979	n/a	0.97f	n/a	1.8	225.0	900.0	n/a
1980	n/a	0.97f	n/a	1.8	225.0	1700.0	n/a

\* Totals will not necessarily add up due to rounding.

- Notes: a. Totals are in Fiscal Year dollars  
b. Total reflects MAP delivered + FMS Credit + Training grants  
c. FMS legislation included in MAP prior to 1968  
d. Delivered EDA (Excess Defense Articles) - already included in MAP delivered figures.  
e. Military Assistance Funding related to South Korean forces sent to Vietnam not included.  
f. Supply operations only

Sources: SIPRI 1971, Table 3.6. U.S. Military Assistance to Third World Countries, breakdown by U.S. categories, pp. 146-147.

Nathan N. White, U.S. Policy Toward Korea: Analysis Alternatives, and Recommendations, (Boulder: Westview, 1979), p. 229.

## APPENDIX B

### CATEGORY AND PERCENTILE ANALYSIS BY TYPES OF DEFENSE ARTICLES AND SERVICES, WEAPONS ANALYSIS REPORT, FOREIGN MILITARY SALES AND GRANT AID (MAP/IMETP) PROGRAMS

#### WEAPONS AND AMMUNITION

Anti-Submarine Aircraft	Attack Aircraft
Attack Helicopters	Bombers
Fighter Aircraft	Patrol Aircraft
VTOL / Attack	Destroyers / Destroyer Escorts
Landing Crafts / Ships	Light Aircraft carriers
Light Cruisers	Mine Warfare Ships
Patrol Boats and Ships	Submarines
Armored Cars / Carriers	Artillery Self-propelled
Tanks	Miscellaneous Combat Vehicles
Carbines	Guns
Howitzers	Machine Guns
Mortars	Pistols
Rifles	Mounts
Launchers-Depth Charges /	Other Weapons and Ordnance Equipment
Rocket / Torpedo	Fire Control Directors / Computers
Ammunition	/ Systems
Missiles	

#### SUPPORT EQUIPMENT

Cargo Aircraft	Electronic Aircraft
Helicopters (Other than	Observation Aircraft
Attack)	Reconnaissance Aircraft
Trainer Aircraft	Utility Aircraft
VTOL / Observation	Miscellaneous Aircraft
Supporting Boats and ships	Commercial Vehicles
Semi-Trailers	Trailers
Trucks	Miscellaneous vehicles
Communication Equipment	Miscellaneous Supporting Equipment

#### SPARE PARTS AND MODIFICATIONS

Aircraft Spare Parts and	Ships Spare Parts
Modifications	Weapon Spares
Automotive Supplies and	Missile Spare Parts and
Equipment Spares	Modifications
Communication Equipment Spares	

#### SUPPORT SERVICES

Construction	Ship Overhauls
Supply Operations	Repair and Rehabilitation
Training (Including Training	Technical Assistance
Aids) FMS	Miscellaneous Other Services
FMSO 1 Agreement	

Unit: Dollars in Thousands

	FY 62	Per Cent	FY 63	Per Cent	Cumulative FY 50-63	Per Cent
Combat Aircraft	-		63,633		63,633	
Combat Ships	-		36,459		36,459	
Combat Vehicles	-		12,389		12,389	
Weapons	-		21,226		21,226	
Ammunition	-		196,086		196,086	
Missiles	-		48,283		48,283	
Total Weapons and Ammunition	-		387,075	20	387,075	20
Other Aircraft	-		7,017		7,017	
Other Ships	-		4,139		4,139	
Support Vehicles	-		120,508		120,508	
Communication Equipment	-		64,703		64,703	
Other Equipment and Supplies	-		656,540		656,540	
Total Support Equipment	-		852,908	44	852,908	44
Aircraft Spares and Modifications	-		83,599		83,599	
Ship Spares and Cost Sharing	-		14,171		14,171	
Weapon Spares	-		39,110		39,110	
Automotive Supplies and Equip Spares	-		169,819		169,819	
Missile Modifications and Spares	-		4,261		4,261	
Communications Equipment Spares	-		54,980		54,980	
Total Spare Parts and Modifications	-		365,941	19	365,941	19
Construction	-		29,941		29,941	
Repair and Rehabilitation	-		29,394		29,394	
Supply Operations	-		120,431		120,431	
Training	-		88,061		88,061	
Other Services	-		54,554		54,554	
Total Support Services	-		322,381	17	322,381	17
Total Korea (Seoul)	-		1,919,305	100	1,919,305	100

(Dollars in Thousands)

	FY 64	Per Cent	FY 65	Per Cent	FY 66	Per Cent
Combat Aircraft	2,141		13,194		3,330	
Combat Ships	-		-		7,373	
Combat Vehicles	655		4		2,850	
Weapons	1,268		279		1,934	
Ammunition	9,405		12,612		17,177	
Missiles	540		46		1,388	
Total Weapons and Ammunition	14,010	11	26,136	23	34,053	21
Other Aircraft	74		810		258	
Other Ships	14		-		2,539	
Support Vehicles	2,279		203		8,012	
Communication Equipment	3,483		3,186		10,671	
Other Equipment and Supplies	40,203		34,388		53,515	
Total Support Equipment	46,053	38	38,586	35	74,996	46
Aircraft Spares and Modifications	5,102		3,732		4,233	
Ship Spares and Cost Sharing	720		628		1,371	
Weapon Spares	3,105		3,898		3,159	
Automotive Supplies and Equip Spares	12,904		10,643		10,917	
Missile Modifications and Spares	3,048		162		2,513	
Communications Equipment Spares	4,717		3,652		4,709	
Total Spare Parts and Modifications	29,596	24	22,714	20	26,902	17
Construction	6,537		3,179		3,233	
Repair and Rehabilitation	720		310		499	
Supply Operations	13,356		11,798		13,015	
Training	9,649		6,511		6,253	
Other Services	2,618		2,446		2,808	
Total Support Services	32,879	27	24,243	22	25,808	16
Total Korea (Seoul)	122,538	100	111,680	100	161,758	100



(Dollars in Thousands)

	FY 67	Per Cent	Cumulative FY 50-67	Per Cent
Combat Aircraft	8,702		91,000	
Combat Ships	-		43,832	
Combat Vehicles	-		15,898	
Weapons	465		25,173	
Ammunition	21,812		257,092	
Missiles	6,664		56,920	
Total Weapons and Ammunition	37,643	22	489,916	20
Other Aircraft	1,383		9,543	
Other Ships	2,364		9,057	
Support Vehicles	3,794		134,795	
Communication Equipment	1,764		83,807	
Other Equipment and Supplies	58,311		842,958	
Total Support Equipment	67,615	40	1,080,159	43
Aircraft Spares and Modifications	9,722		106,388	
Ship Spares and Cost Sharing	1,407		18,296	
Weapon Spares	4,278		53,549	
Automotive Supplies and Equip Spares	14,758		219,041	
Missile Modifications and Spares	1,120		11,104	
Communications Equipment Spares	6,414		74,471	
Total Spare Parts and Modifications	37,697	22	482,850	19
Construction	810		43,699	
Repair and Rehabilitation	1,648		32,570	
Supply Operations	17,023		175,624	
Training	5,332		115,806	
Other Services	1,664		64,089	
Total Support Services	26,477	16	431,788	17
Total Korea (Seoul)	169,432	100	2,484,712	100

(Dollars in Thousands)

	FY 68	Per Cent	FY 69	Per Cent	FY 70	Per Cent
Combat Aircraft	41,870		-		2,760	
Combat Ships	11,354		-		-	
Combat Vehicles	2,426		-		-	
Weapons	5,072		494		52	
Ammunition	30,766		10,986		10,928	
Missiles	1,555		630		1,139	
Total Weapons and Ammunition	93,043	36	12,110	9	14,879	11
Other Aircraft	2,143		3,859		-	
Other Ships	96		226		-	
Support Vehicles	5,004		3,067		4,604	
Communication Equipment	12,906		597		750	
Other Equipment and Supplies	63,373		53,924		47,991	
Total Support Equipment	83,522	33	61,672	44	53,346	39
Aircraft Spares and Modifications	15,094		2,529		6,980	
Ship Spares and Cost Sharing	1,672		332		1,078	
Weapon Spares	7,514		6,988		2,553	
Automotive Supplies and Equip Spares	14,918		15,614		16,921	
Missile Modifications and Spares	1,981		1,139		1,549	
Communications Equipment Spares	8,539		5,050		6,055	
Total Spare Parts and Modifications	49,718	19	31,653	22	35,136	26
Construction	1,139		13		-	
Repair and Rehabilitation	1,312		1,301		1,947	
Supply Operations	17,550		24,786		24,437	
Training	6,294		6,943		4,791	
Other Services	2,394		2,572		2,084	
Total Support Services	28,690	11	35,616	25	33,259	24
Total Korea (Seoul)	254,973	100	141,051	100	136,620	100

(Dollars in Thousands)

	FY 71	Per Cent	Cumulative FY 50-71	Per Cent
Combat Aircraft	16,021		151,651	
Combat Ships	8,024		63,210	
Combat Vehicles	70,588		88,912	
Weapons	15,717		46,508	
Ammunition	18,551		328,323	
Missiles	432		60,676	
Total Weapons and Ammunition	129,333	34	739,281	22
Other Aircraft	19,506		35,051	
Other Ships	66		9,446	
Support Vehicles	59,342		206,812	
Communication Equipment	12,944		111,003	
Other Equipment and Supplies	60,150		1,068,396	
Total Support Equipment	152,007	40	1,430,707	42
Aircraft Spares and Modifications	11,804		142,795	
Ship Spares and Cost Sharing	5,852		27,231	
Weapon Spares	5,787		76,391	
Automotive Supplies and Equip Spares	29,747		296,241	
Missile Modifications and Spares	1,829		17,601	
Communications Equipment Spares	9,238		103,353	
Total Spare Parts and Modifications	64,256	17	663,613	20
Construction	-		44,852	
Repair and Rehabilitation	6,473		43,604	
Supply Operations	17,813		260,209	
Training	5,007		138,841	
Other Services	3,313		74,453	
Total Support Services	32,606	9	561,958	17
Total Korea (Seoul)	378,203	100	3,395,559	100

(Dollars in Thousands)

	FY 72	Per Cent	FY 73	Per Cent	FY 74	Per Cent
Combat Aircraft	6,735		35,524		55,775	
Combat Ships	618		-		570	
Combat Vehicles	10,297		1,520		387	
Weapons	6,802		9,823		314	
Ammunition	18,682		996		7,488	
Missiles						
Total Weapons and Ammunition	78,982	23	52,966	35	67,366	38
Other Aircraft	793		5,464		-	
Other Ships	10,622		-		**	
Support Vehicles	47,883		1,271		107	
Communication Equipment	15,752		1,150		95	
Other Equipment and Supplies	96,442		3,540		29,298	
Total Support Equipment	171,493	49	11,4224	8	29,500	16
Aircraft Spares and Modifications	10,224		20,415		33,008	
Ship Spares and Cost Sharing	12,450		3,039		3,494	
Weapon Spares	5,682		2,739		64	
Automotive Supplies and Equip Spares	27,226		21,314		429	
Missile Modifications and Spares	3,909		1,980		16,456	
Communications Equipment Spares	10,172		5,414		886	
Total Spare Parts and Modifications	69,664	20	54,911	36	54,337	30
Construction	-		-		-	
Repair and Rehabilitation	2,209		4,252		1,963	
Supply Operations	17,111		16,077		23,677	
Training	4,431		2,046		1,683	
Other Services	3,747		9,474		1,030	
Total Support Services	27,498	8	31,848	21	28,353	16
Total Korea (Seoul)	347,636	100	151,150	100	179,555	100

\*\* Amount is less than \$500.

(Dollars in Thousands)

	FY 75	Per Cent	Cumulative FY 50-75	Per Cent
Combat Aircraft	49,133		298,820	
Combat Ships	1,500		65,898	
Combat Vehicles	-		101,116	
Weapons	1,510		64,957	
Ammunition	13,388		385,494	
Missiles	26,830		114,673	
Total Weapons and Ammunition	92,362	36	1,030,957	24
Other Aircraft	39		41,346	
Other Ships	838		20,906	
Support Vehicles	-		256,072	
Communication Equipment	143		128,144	
Other Equipment and Supplies	18,513		1,216,189	
Total Support Equipment	19,534	8	1,662,657	38
Aircraft Spares and Modifications	25,256		231,698	
Ship Spares and Cost Sharing	5,242		51,456	
Weapon Spares	150		85,026	
Automotive Supplies and Equip Spares	9,656		354,866	
Missile Modifications and Spares	7,607		47,553	
Communications Equipment Spares	102		119,938	
Total Spare Parts and Modifications	48,013	19	890,537	21
Construction	-		44,852	
Repair and Rehabilitation	19,764		71,791	
Supply Operations	30,959		348,033	
Training	1,695		148,696	
Other Services	43,709		132,413	
Total Support Services	96,128	38	745,785	17
Total Korea (Seoul)	256,037	100	4,329,937	100

(Dollars in Thousands)

	FY 76	Per Cent	FY 77	Per Cent	FY 78	Per Cent
Combat Aircraft	323,914		172,839		-	
Combat Ships	-		1,700		253	
Combat Vehicles	-		34,492		7,405	
Weapons	1,185		4,267		10,962	
Ammunition	20,272		17,486		14,247	
Missiles	100,512		66,722		34,036	
Total Weapons and Ammunition	445,882	69	297,505	54	66,902	21
Other Aircraft	20,962		1,224		17,560	
Other Ships	-		14		253	
Support Vehicles	36		1,882		1,336	
Communication Equipment	7,332		8,998		15,696	
Other Equipment and Supplies	18,665		37,365		30,630	
Total Support Equipment	46,997	7	49,483	9	65,474	21
Aircraft Spares and Modifications	65,267		76,308		53,892	
Ship Spares and Cost Sharing	7,685		2,544		12,303	
Weapon Spares	5,355		11,303		9,920	
Automotive Supplies and Equip Spares	3,252		47,417		57,801	
Missile Modifications and Spares	20,644		11,960		1,288	
Communications Equipment Spares	1,556		6,903		7,729	
Total Spare Parts and Modifications	103,758	16	156,435	29	142,932	45
Construction	-		-		-	
Repair and Rehabilitation	7,150		8,274		4,798	
Supply Operations	25,773		23,989		18,226	
Training	4,680		2,042		1,897	
Other Services	11,535		8,175		15,006	
Total Support Services	49,139	8	42,480	8	39,972	13
Total Korea (Seoul)	645,778	100	545,903	100	315,236	100



(Dollars in Thousands)

	FY 79	Per Cent	Cumulative FY 50-79	Per Cent
Combat Aircraft	-		795,572	
Combat Ships	-		67,851	
Combat Vehicles	-		143,013	
Weapons	3,193		84,563	
Ammunition	18,834		456,334	
Missiles	16,910		332,852	
Total Weapons and Ammunition	38,937	18	1,880,185	31
Other Aircraft	-		81,092	
Other Ships	1,411		22,583	
Support Vehicles	1,873		261,202	
Communication Equipment	827		160,997	
Other Equipment and Supplies	14,556		1,317,405	
Total Support Equipment	18,667	8	1,843,279	30
Aircraft Spares and Modifications	67,776		496,942	
Ship Spares and Cost Sharing	14,911		88,900	
Weapon Spares	126		111,730	
Automotive Supplies and Equip Spares	29,090		492,425	
Missile Modifications and Spares	8,824		90,269	
Communications Equipment Spares	616		136,741	
Total Spare Parts and Modifications	123,343	56	1,417,006	23
Construction	-		44,852	
Repair and Rehabilitation	3,892		95,906	
Supply Operations	15,864		431,886	
Training	3,229		160,545	
Other Services	17,962		185,091	
Total Support Services	40,948	18	918,279	15
Total Korea (Seoul)	221,895	100	6,058,749	100

(Dollars in Thousands)

	FY 80	Per Cent	FY 81	Per Cent	FY 82	Per Cent
Combat Aircraft	770		-		629,359	
Combat Ships	-		570		-	
Combat Vehicles	-		14,713		1,589	
Weapons	1,027		2,042		2,277	
Ammunition	15,300		12,351		4,496	
Missiles	112,799		83,534		158,967	
Total Weapons and Ammunition	129,897	29	113,210	32	796,688	69
Other Aircraft	14,215		-		-	
Other Ships	1,849		-		-	
Support Vehicles	8,140		5,486		6,470	
Communication Equipment	23,787		5,476		1,840	
Other Equipment and Supplies	33,982		22,237		60,555	
Total Support Equipment	81,973	19	33,198	9	68,866	6
Aircraft Spares and Modifications	82,203		93,316		185,555	
Ship Spares and Cost Sharing	12,947		12,461		**	
Weapon Spares	4,965		7,996		886	
Automotive Supplies and Equip Spares	5,040		8,969		994	
Missile Modifications and Spares	38,841		11,708		11,872	
Communications Equipment Spares	3,331		3,460		1,894	
Total Spare Parts and Modifications	151,056	34	137,910	39	201,201	17
Construction	1		-		-	
Repair and Rehabilitation	1,720		2,799		2,494	
Supply Operations	17,585		16,234		53,996	
Training	4,836		5,107		12,952	
Other Services	54,404		47,999		26,205	
Total Support Services	78,547	18	72,139	20	95,646	8
Total Korea (Seoul)	441,472	100	356,457	100	1,162,401	100

\*\* Amount is less than \$500.

(Dollars in Thousands)

	FY 83	Per Cent	Cumulative FY 50-83	Per Cent
Combat Aircraft	14,359		1,440,060	
Combat Ships	-		68,420	
Combat Vehicles	57,167		216,482	
Weapons	597		90,506	
Ammunition	6,198		494,679	
Missiles	35,033		723,185	
Total Weapons and Ammunition	113,354	33	3,033,333	36
Other Aircraft	-		95,307	
Other Ships	-		24,432	
Support Vehicles	-		281,297	
Communication Equipment	1,430		193,530	
Other Equipment and Supplies	11,999		1,446,178	
Total Support Equipment	13,429	4	2,040,744	24
Aircraft Spares and Modifications	143,252		1,001,268	
Ship Spares and Cost Sharing	16,365		134,672	
Weapon Spares	7,933		133,240	
Automotive Supplies and Equip Spares	6,176		513,604	
Missile Modifications and Spares	4,501		157,189	
Communications Equipment Spares	4,588		150,014	
Total Spare Parts and Modifications	182,814	53	2,089,987	25
Construction	-		44,854	
Repair and Rehabilitation	4,809		107,728	
Supply Operations	20,528		540,229	
Training	1,770		185,210	
Other Services	6,442		320,141	
Total Support Services	33,550		1,198,161	
Total Korea (Seoul)	343,147	100	8,362,226	100

(Dollars in Thousands)

	FY 84	Per Cent	FY 85	Per Cent	FY 86	Per Cent
Combat Aircraft	-		16,078		-	
Combat Ships	-		-		-	
Combat Vehicles	10,248		-		-	
Weapons	2,483		182		4,805	
Ammunition	1,051		1,099		13,560	
Missiles	5,244		25,836		42,088	
Total Weapons and Ammunition	19,026	12	43,194	22	60,453	33
Other Aircraft	9,000		-		-	
Other Ships	-		-		-	
Support Vehicles	146		-		-	
Communication Equipment	733		281		1,628	
Other Equipment and Supplies	5,940		7,908		7,458	
Total Support Equipment	15,819	10	8,189	4	9,086	5
Aircraft Spares and Modifications	58,634		70,651		60,274	
Ship Spares and Cost Sharing	19,852		18,863		10,212	
Weapon Spares	3,449		4,053		4,275	
Automotive Supplies and Equip Spares	2,778		2,856		2,029	
Missile Modifications and Spares	10,647		5,248		10,198	
Communications Equipment Spares	3,486		2,331		2,718	
Total Spare Parts and Modifications	98,846	61	104,003	53	89,705	49
Construction	-		-		-	
Repair and Rehabilitation	3,671		3,701		5,754	
Supply Operations	10,065		16,270		12,168	
Training	2,016		5,397		1,875	
Other Services	13,726		16,636		4,685	
Total Support Services	29,479	18	42,004	21	24,482	13
Total Korea (Seoul)	163,170	100	197,390	100	183,726	100

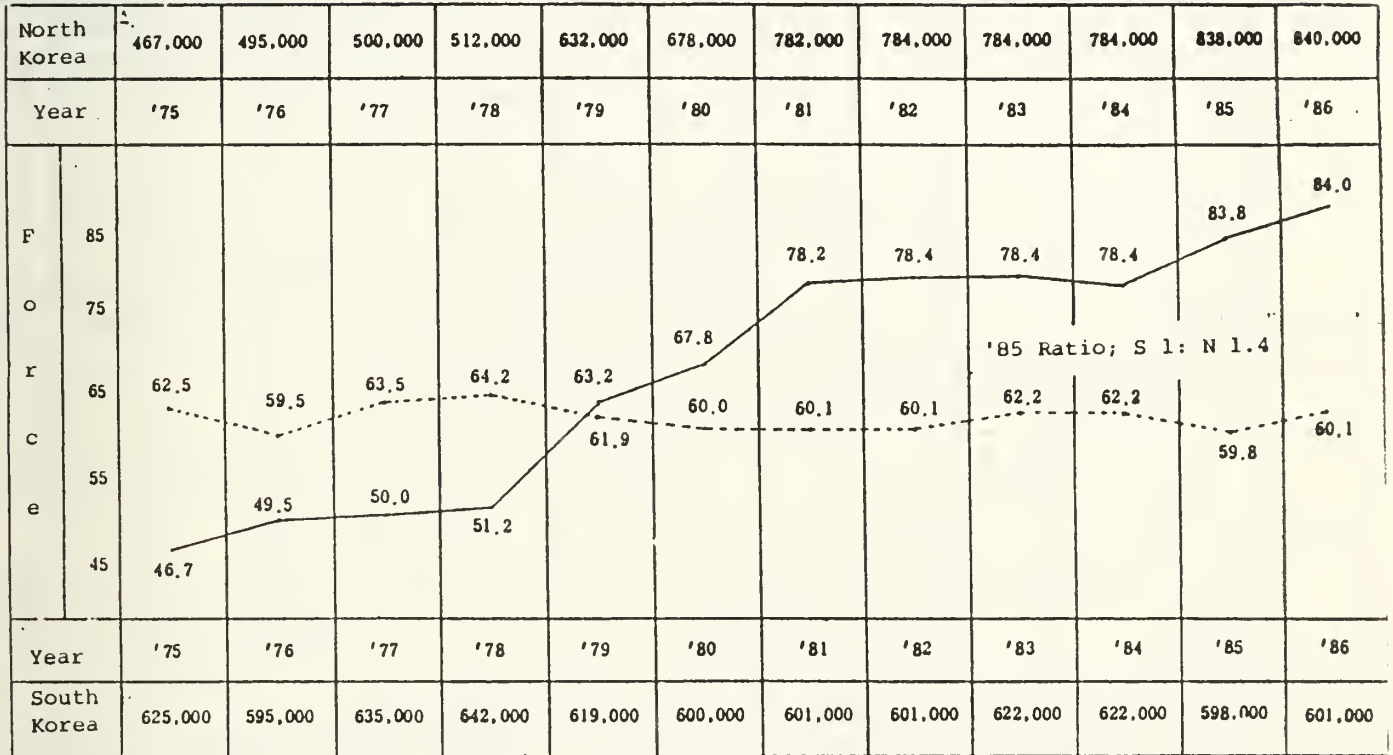
(Dollars in Thousands)

	FY 87	Per Cent	FY 88	Per Cent	Cumulative FY 50-88	Per Cent
Combat Aircraft	6,102		129,018		1,591,258	
Combat Ships	-		-		68,420	
Combat Vehicles	-		-		266,730	
Weapons	10,077		322		108,376	
Ammunition	7,974		10,693		529,056	
Missiles	16,379		82,379		895,110	
Total Weapons and Ammunition	40,532	24	222,412	48	3,418,950	36
Other Aircraft	-		-		104,307	
Other Ships	-		-		24,432	
Support Vehicles	-		-		281,443	
Communication Equipment	1,043		1,209		198,425	
Other Equipment and Supplies	7,685		4,551		1,479,720	
Total Support Equipment	8,728	5	5,761	1	2,088,327	
Aircraft Spares and Modifications	68,202		160,657		1,419,687	
Ship Spares and Cost Sharing	8,535		9,966		202,101	
Weapon Spares	4,293		2,828		152,137	
Automotive Supplies and Equip Spares	1,436		2,550		525,252	
Missile Modifications and Spares	3,577		11,104		197,964	
Communications Equipment Spares	896		2,474		161,919	
Total Spare Parts and Modifications	86,939	52	189,579	41	2,659,059	28
Construction	-		-		44,854	
Repair and Rehabilitation	4,859		5,367		131,079	
Supply Operations	11,810		27,831		618,373	
Training	3,553		1,786		199,839	
Other Services	11,750		7,502		374,438	
Total Support Services	31,972	19	42,486	9	1,368,584	14
Total Korea (Seoul)	168,171	100	460,237	100	9,534,920	100

# APPENDIX C

## COMPARISON OF MILITARY BUILD-UP BETWEEN THE SOUTH AND THE NORTH

### TOTAL FORCES

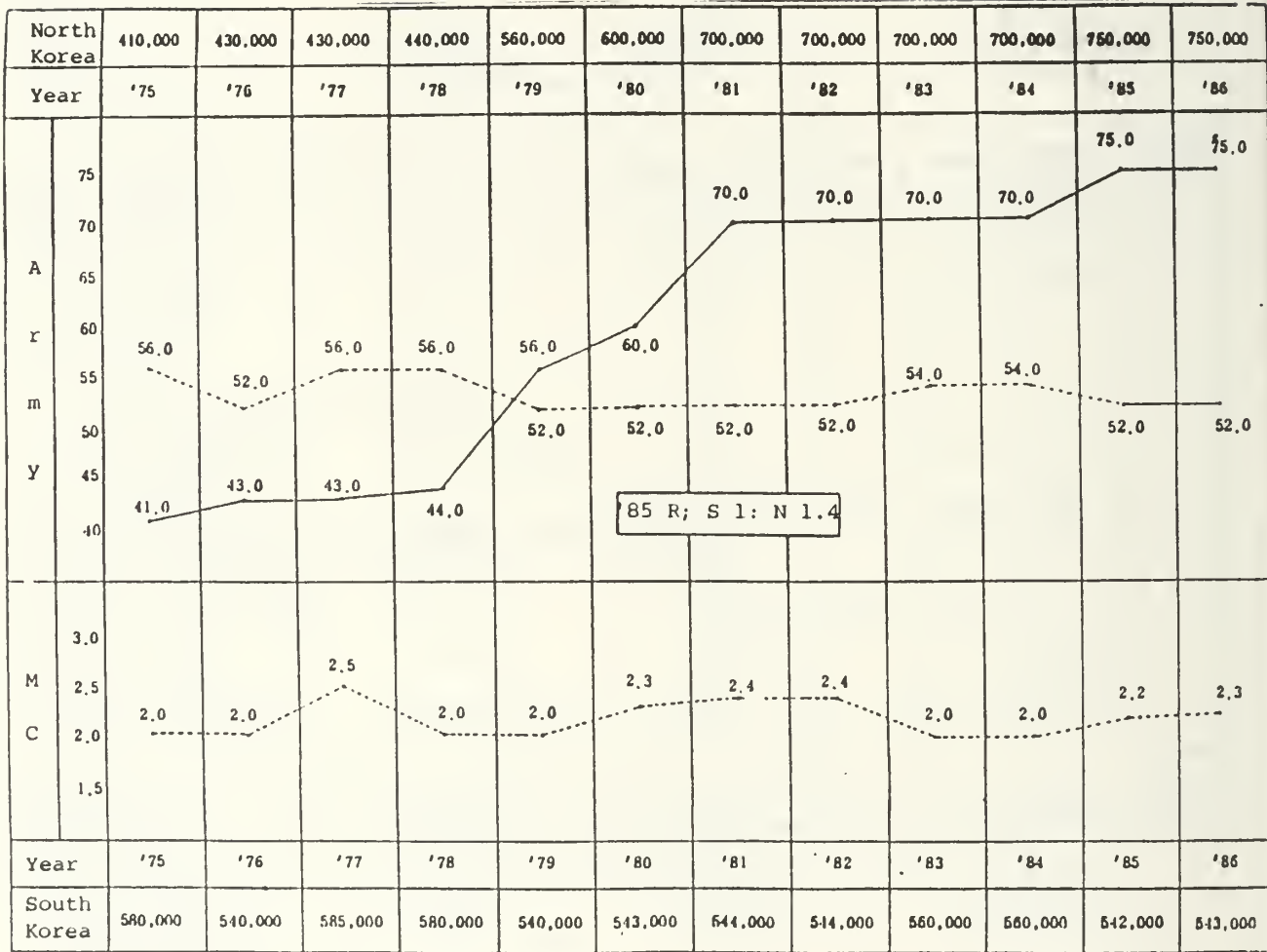


..... South Korea  
 ----- North Korea  
 S : South Korea  
 N : North Korea

Source: *The Military Balance 1975 - 1986* (LONDON: IISS 1975-1986)

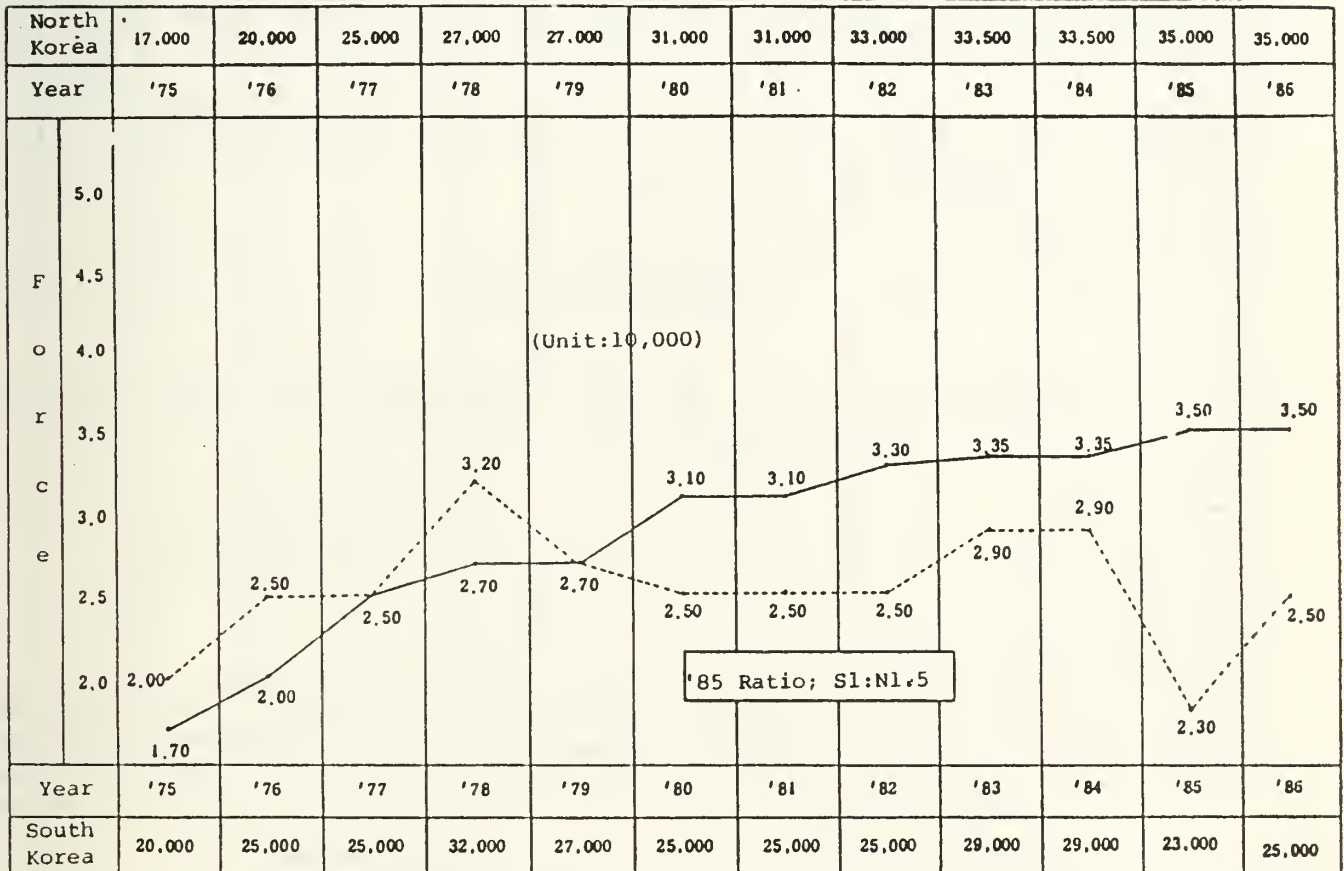


# ARMY AND MARINE CORPS



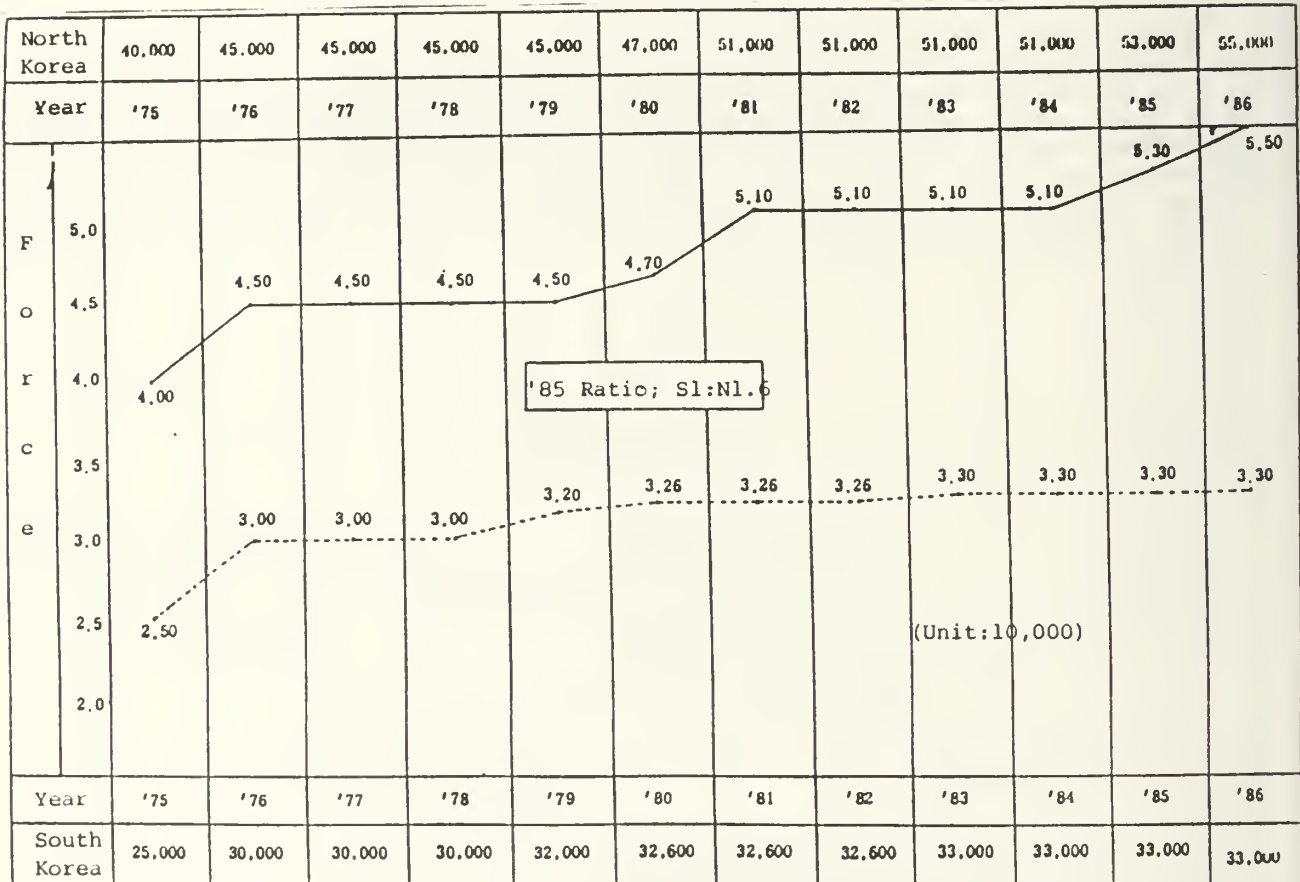
..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea

# NAVY



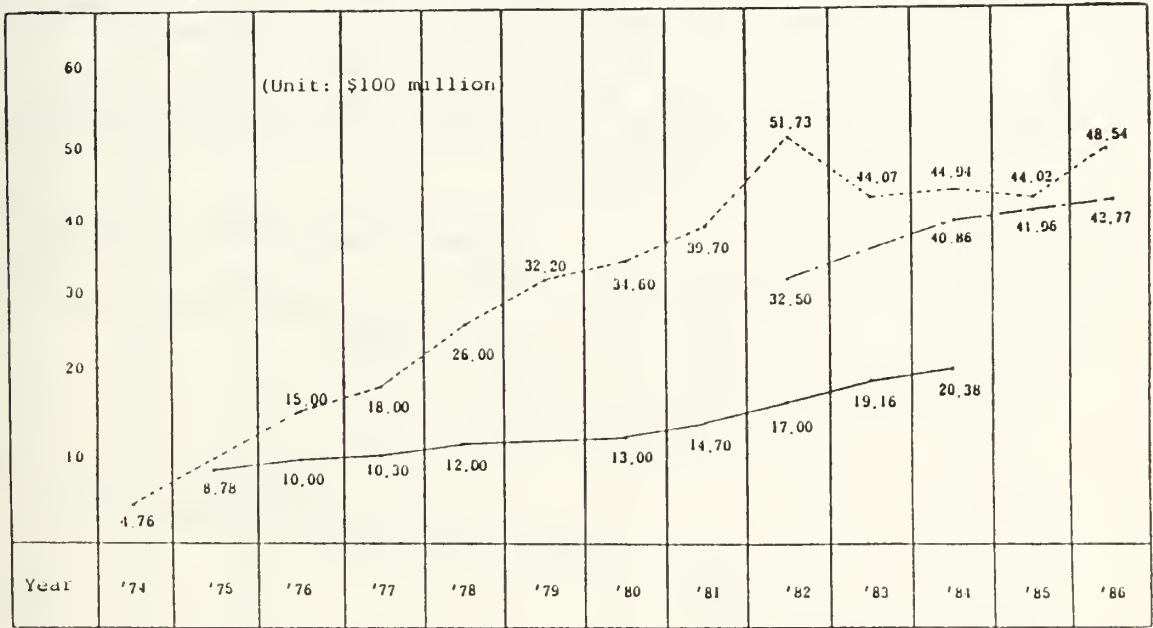
..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea

# AIR FORCE



..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea

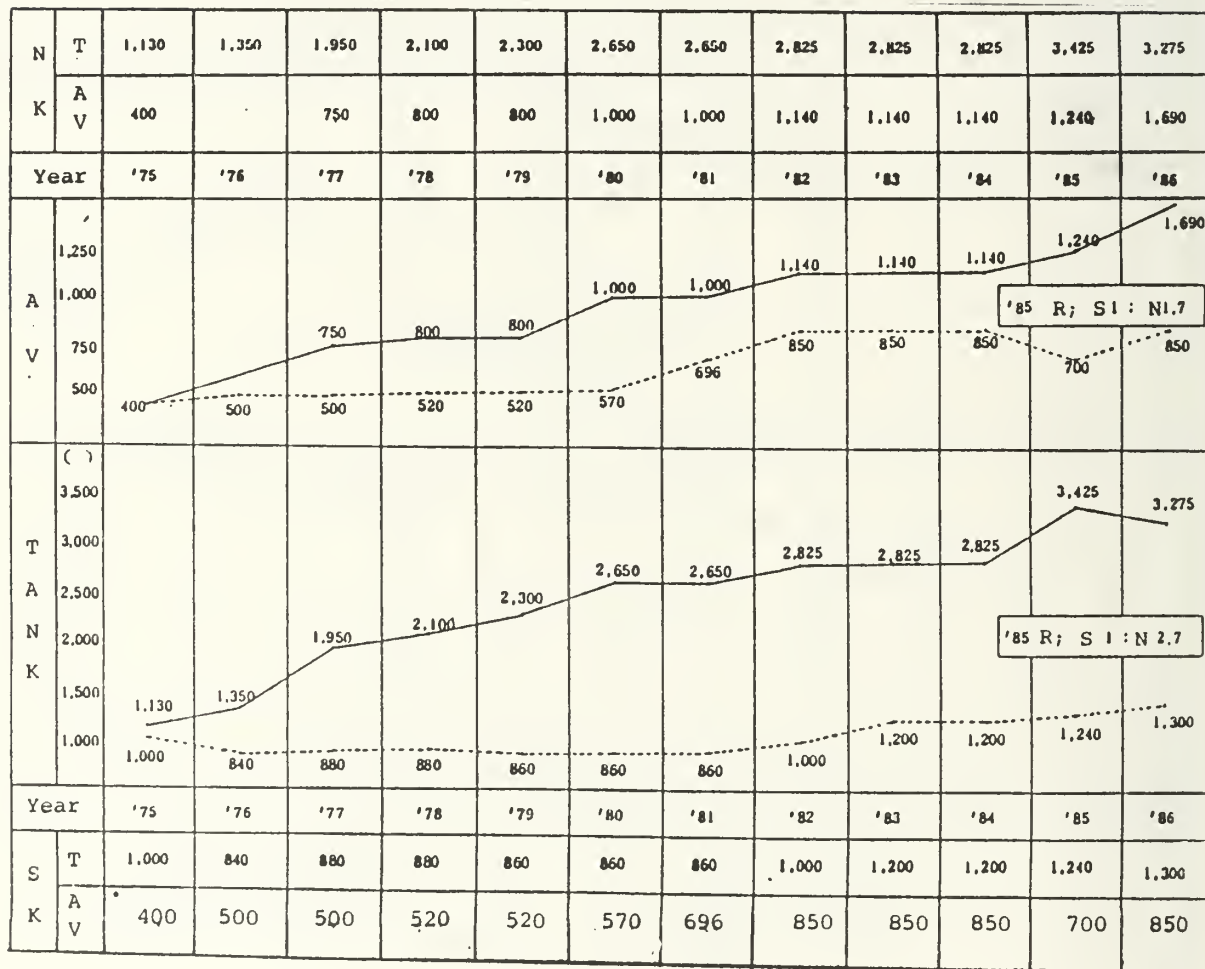
# MILITARY EXPENDITURE



..... South Korea  
 — . — #1 North Korea  
 ——— #2 North Korea

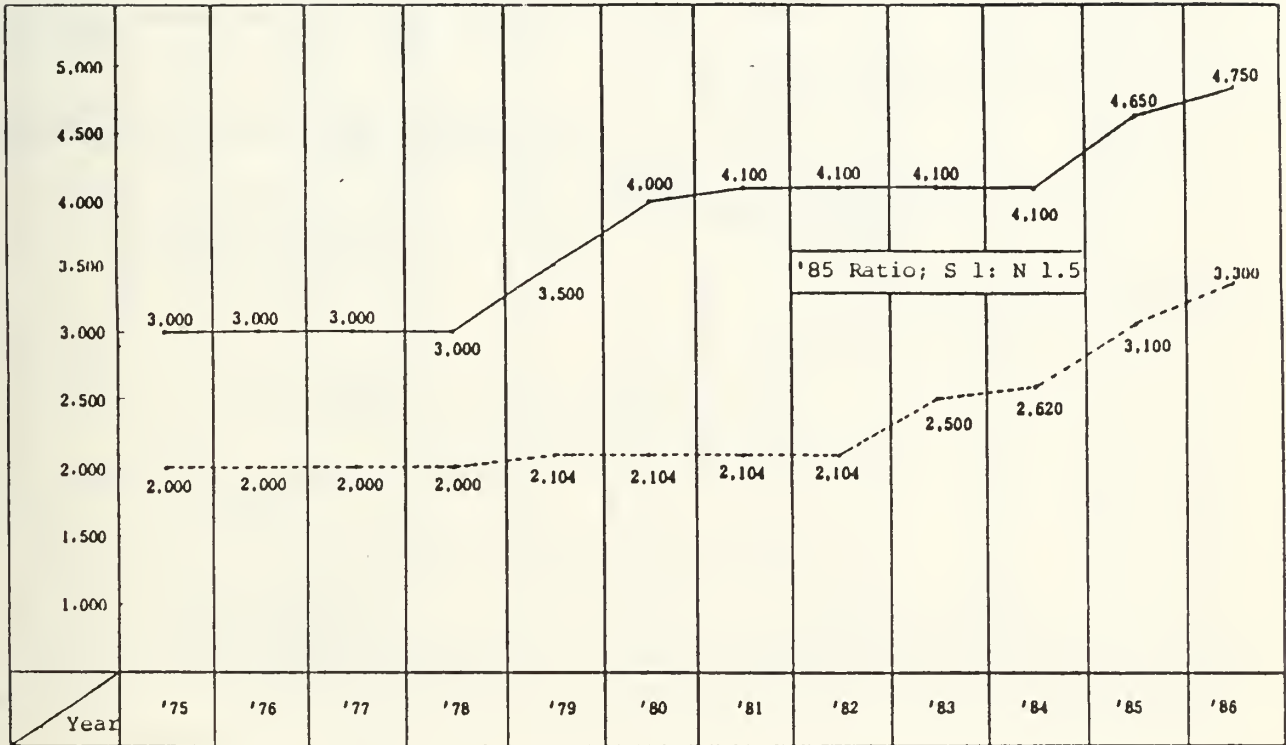
#1 : By IISS  
 #2 : By North Korean  
 Announcement

# MAIN EQUIPMENT (TANK AND ARMORED VEHICLE)



..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea  
 AV: Armored Vehicle  
 T : Tank

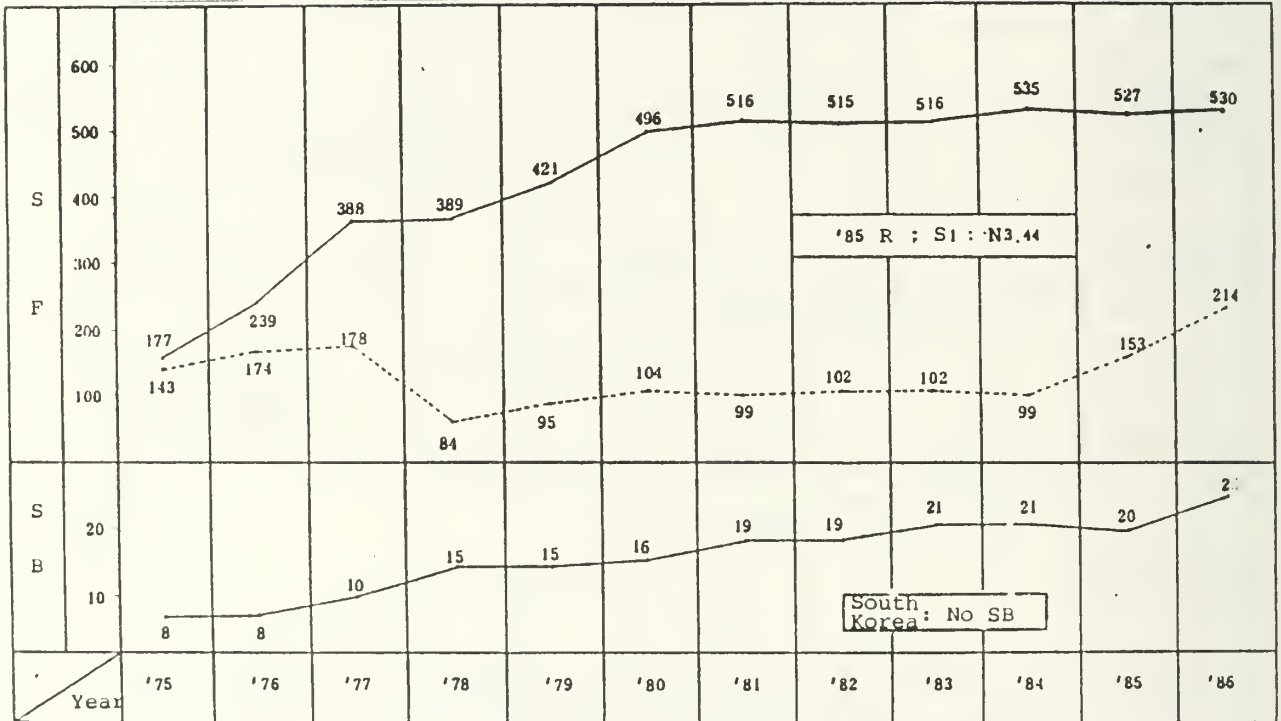
MAIN EQUIPMENT  
(FIELD ARTILLERY)



..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea

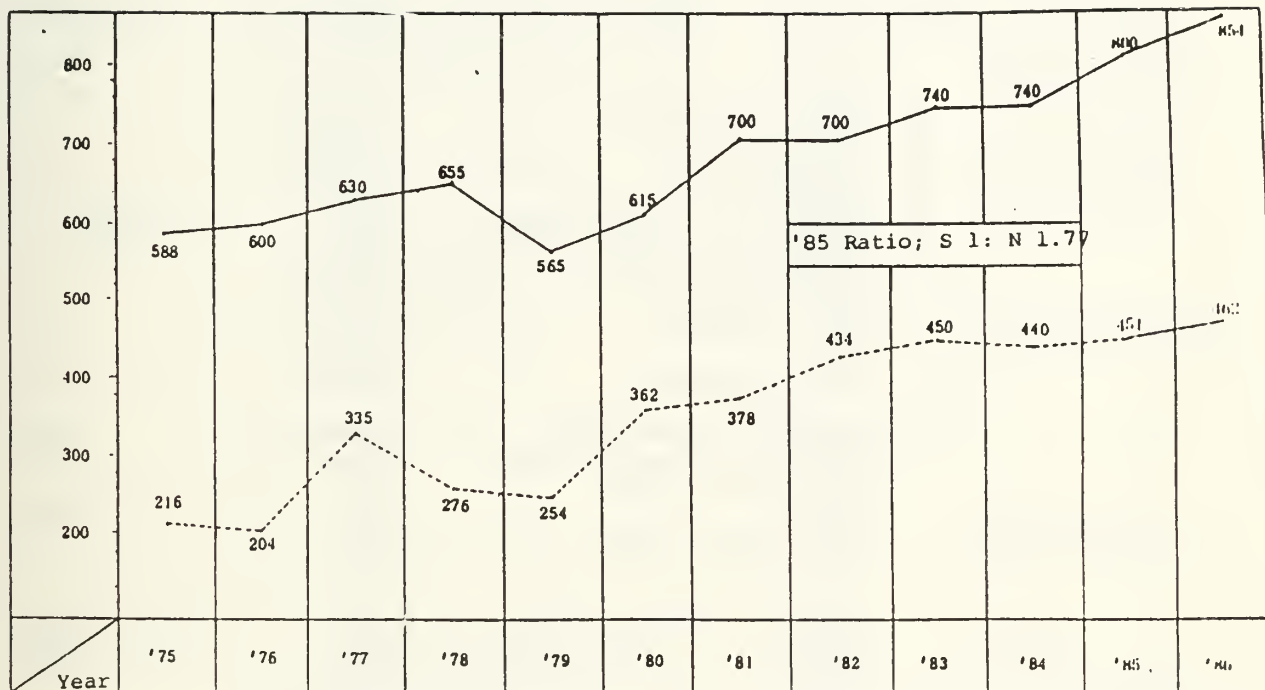


# AIRCRAFT



..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea

# COMBAT SHIP



..... South Korea  
 \_\_\_\_\_ North Korea  
 R : Ratio  
 S : South Korea  
 N : North Korea  
 SF: Surface Ship  
 SB: Submarine

# APPENDIX D

## MAJOR ARMS TRANSFERS TO SOUTH KOREA, 1950-1979

Date Order	Sup- plier	Quan- tity	Item	Date Delivered	Remarks
1950		75	NA F-51 Mustang	1950-52	
		15	Piper L-4	1950-52	
		15	Douglas C-47	1950-52	
		20	Curtiss C-460	1950-53	
		2	Frigate, "Tacoma" Class	1950	On loan
		1	Patrol Boat "PC"	1950	
		100	M-Sherman Tanks	1950-51	
		50	M-5 Stuart	1950-51	
		50	M-24 Chaffee	1950-53	
		70	M-10	1950-53	
		200	M-8 Greyhound	1950-59	
1951		500	M47/M48 Patton Tank	1951-66	
		2	Frigate, "Tacoma" Class	1951	
		4	Patrol Boat "PC"	1951	
1951		4	Patrol Boat "PCS"	1952	
		4	Motor Torpedo Boat	1952	
1953		1	Frigate, "Tacoma" Class	1953	Replacement
	Norway	2	Oiler	1953	
1954		70	M-36	1954-60	
		3	Aero Cdr 520 Aircraft	1954	
1955		5	NA F-86F Sabre	1955	
		1	Oiler	1955	On Loan
		2	Tank Landing Ship	1955	
		2	Escort "PCE" Ship	1955	On Loan
		6	Supply Ship	1955-57	
1956		2	Escort "PCD" Ships	1956	
		1	Tank Landing Ship	1956	
		1	Frigate, "Bostwick" class	1956	
		1	Medium Landing Ship	1956	
		3	Coastal Minesweepers	1956	
		75	NA F-86F Sabre	1956	10-20 Converted t o
Version		6	Sikorsky S-55	1956	
1957		4	Coastal Minesweepers	1957	Decommissioned in 1962
		3	Medium Landing Ships	1957	
		9	Lockheed T-33A	1957	
		5	Cessna 0-1A Birdog	1957	Recce Plane

Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1958		30	NA F-86F Sabre	1958	
		3	Tank Landing Ship	1958	
		12	Honest John SSM	1959	
		2	Tank Landing Ship	1959	
		1	Escort Transport	1959	Modified Des- troyer Escort
		3	Coastal Minesweeper	1959	MPA Transfer
		1	Rocket Landing Ship	1960	
		2	Patrol Boat "PC"	1960	
		1	Landing Craft Repair Ship	1960	
		30	NA F-86D Sabre	1960-62	Equipped W/360 Sidewinder AAM
		5	Tank Landing Ship	1959	
		1	Escort Transport	1959	Modified Des- troyer Escort
		3	Coastal Minesweeper	1959	MPA Transfer
		1	Rocket Landing Ship	1960	
		2	Patrol Boat "PC"	1960	
		1	Landing Craft Repair Ship	1960	
		30	NA F-86D Sabre	1960-62	Equipped W/360 Sidewinder AAM
		5	Cessna LC-180	1960	
1961		4	Escort, "PCE" Type	1961	
		150	M-113 APC	1961-65	
1962		2	Tug	1962	
		30	NA F-86D Sabre	1962	Equipped W/ Sidewinder AAM
		16	NA T-28	1962	
1963		1	Destroyer "Fletcher"	1963	
		1	Frigate "Rudderow" Class	1963	
		1	Escort "Auk" Class	1963	
		2	Coastal Minesweeper	1963	MAR Transfer
1964		1	Patrol Boat "PC"	1964	
		8	Cessna 185 Skywagon	1964	
1965		15	Cessna 0-1E Birdog	1965	
		30	F-5A Freedom Fighter	1965-66	
		150	HAWK SAM	1965	
		25	Nike Hercules SAM	1965	
		4	Curtiss C-46D	1965-66	MAP
		50	105mm Howitzer	1965-66	
		50	155mm Howitzer	1965-66	MAP

Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1966	Japan	2	Kawasaki-Bell KH-4	1966	
	Canada	10	DHC-2 Beaver	1966	
		2	Escort Transport	1966	
		60	203mm Howitzer	1966-67	MAP
1967		5	Douglas C-54	1967	
		2	Curtiss C-46	1967-68	MAP
		5	Cessna O-1A Birdog	1967-68	MAP
		3	Escort Transport	1967	2 Transferred Under MAP
		2	Escort "Auk" Class	1967	
1968		2	F-5B Freedom Fighters	1968	MAP
		40	F-5A Freedom Fighters	1968	
		1	Coastal Minesweeper	1968	MAP
		1	Coastal Minesweeper	1970	MAP
		2	Destroyer "Fletcher Class	1968-69	On Loan
		1	Hydrographic Survey Vessel	1968	
		9	Patrol Boats	1968-69	
1969		19	F-4E Phantom	1969	\$52m - ROK
		5	Bell UH-ID Helicopters	1969	\$48m - US MAP
	700,000		M-1 Rifles	1969	\$2.4m
1971			M-16 Rifle Factory	1971	\$10m Factory Contract Replaced F-5s sent to Vietnam, leased until 1976, Bought for \$46.5m
1971		18	F-4D Phantom	1972	
		10	Grumman S-2 Tracker	1971	
		12	Honest John SSM	1971	
		2	Bell 212 Twin Pac	1971	
		50	203mm Howitzers	1971	MAP
		50	M-113A APC	1971	MAP
		50	M-60 Tanks	1971	Trans f/US 7th Div
		50	M107 Howitzer	1971	
		50	M-48A2C Patton Tank	1971	MAP
		1	Patrol Boat	1971	
		1	Oiler	1971	
		1	Supply Ship	1971	
		2	Destroyer "Gearing" C1	1972	On Loan
		4	Pazmany PL-2 Light Aircraft	1972	Built for Evaluation

Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1972		72	F-5E Tiger Fighters	1974-22	MAP
				1975-24	MAP
				1976-21	MAP
		0	Hughes AGM-65 Maverick ASM	1975-76	To Arm F-5Es
		733	AIM-9J Sidewinder AAM	1974-220	
				1975-240	
				1976-210	
				1977-63	
		1	Patrol Boat	1973	
		2	Coastal Minesweeper	1975	MAP
		22	T-33A Lockheed Trainer	1972-4	
			1973-4		
				1974-4	
				1975-4	
				1976-4	
				1977-2	
1973		3	Fast Patrol Boats PSMM	1973-74	\$16m Credit
	Britain	2	HS 748 Transports	1974	
1974		4	Coastal Patrol "Tacoma" Class	1977-2	3 others being Produced by SK under license
		7	Fast Patrol Boats PSMM	1975-2	
				1976-2	
				1977-3	
		40	Standard ShShM	1975-77	8 Launchers- Use W/PSMM Ships
1975			Solid Fuel Rocket Motor Plant from Lockheed Corp.	1975	\$2m
		19	F-4E Phantom Fighters	1978-79	\$178m; arms, Sidewinder AAM & Maverick ASM
		54	F-5F Tiger - 2	1978-79	\$205; followup Order to 72
		120	Harpoon ShShM	1978-79	Ordered in '72 \$81m; miltrans- port equip, spares, training
		600	AIM 96 Sidewinder AAM	1077-79 (480 ea)	Arming F-4 Fighters
		1	"Casa-Grande" Class Dock Landing Ship	1976	Arms; AA Guns
		2	"Gearing" Cl Destroyers	1977	In add. to 2
		66	Vulcan 20mm AAG	1975 (2 ea)	Prev. Acquired



Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1976		34	"Hughes" 500/MD	1976-78	\$50m for Total of 100; 66 License Produced by S.K., 4 Del in 176 W/O arms; arms: TOW ATM
		24	Rockwell OV-10G Bronco Observ. Helicopter	1977	\$58.2m; part of Total \$116.1m sale before FY-77
		200	Hughes AGM-65A Maverick ASM	1977-78 (150 ea)	\$10.2m, arming 60 F-5Es
		1152	Hughes TOW ATM	1977-78	(720) Arm Heli.
		421	M-48 Main Battle Tank	1977	\$35.6m f/Conversion to M-48A3/AS
		3	"Asheville" Class Fast Missile Boats	1975-76	New Const.; 4 more built under license in S.K.
Italy		170	Fiat-6614 CM APC	1977-20	Built under license in S.K.
		?	Lance SSM	1977	To replace Honest John & Sergeant
		12	Cessna A-37A COIN/Trainer	1977	
		10	Bell AH-1J Heli Gunship	1977	
		10	Fairchild C-123 Transport	1977	
		100	Hughes-500M Defender Hel Missile	1977-30	
		45	Nike Hercules SAM	1977	
1977		341	AIM-7E	1979	
		45	Bell UH-1H Cobra Helicopter		\$40m
		20	Bell UH-18 Helicopter	1977	\$1.1m
		100	Laser Guided Bomb Kits	1977	\$3.7m
		6	Lockheed C-130H Hercules Transports		\$7.6m
		18	F-4E Phantom Fighter		\$156.2m
		24	Honest John SSM	1978-79	Trans fm U.S. Forces
		15	M-88 Al Tank Recovery Vehicle	1978	\$12m
			MIM-23B Hawk SAM	1978	\$82m

Date Order	Sup- plier	Quan- tity	Item	Date Delivered	Remarks
1978	France	?	MM-38 Exocet ShShM		UNK # Ordered
		72	A-10A Fighter	1978-2	Pending approval for remainder \$7.1m
		?	M-48A3 Tanks		Pending approval
		6	CH-47C Chinook Helicopter		" "
		2208	Hughes BGM-71A-1		
			Air-to-Surface TOW ATM		
		4	Patrol Ship "Asheville"		
		37	M-109A2 SP Howitzer		\$24m
		1	Patrol Boat "Grasp"	1978	
1979		1800	Hughes BGM-71A TOW		\$13.7m
			ATM s/10 Launchers		
		4	AN/TSZ-73 Missile Minder		\$29m
		60	F-4E		Pending LOA
		180	F-16A/B Fighter		Disapproved by President

\* Supplier is the United States unless indicated in this column.

SOURCES: SIPRI Yearbook 1968/69 p. 236.  
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 Monterey, CA, June 1980.

MAJOR ARMS TRANSFERS TO NORTH KOREA, 1950-1979

Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1950	China	100	MIG-15	1950-51	Built in USSR
		35	La-9	1950-51	
		200	BA-64	1950-51	
		100	Su-76	1950-53	
		100	BTR 40	1950-57	
		150	BTR 152	1950-59	
		450	T-34 Tank	1950-52	
1951		35	Tu-2	1951-52	
		10	Il-12	1951-52	
1953		100	MIG-15	1953	
		5	Il-28	1953	
		70	La-11	1953	
		2	Il-28U	1953	
		8	Li-2	1953	
		5	Mi-1	1953	
		15	Yak-17 UTI	1953	
		15	MIG-15 UTI	1953	
1954		10	Yak-11	1954	
		4	Patrol Boats, "MO 1" Type	1954	
		8	Fleet Minesweepers, "Fugas" Type	1954-55	
1955		30	Il-28	1955	
1956		100	MIG-17	1956-58	
		12	Motor Torpedo Boats "P4" Type	1956	
1957	China	4	FongShou No.2 Fighters	1957	AN-2 produced under license in China
	China	24	Inshore Minesweeper	1957-60	
1958	China	80	MIG-15	1958	Supplement those supplied before '50 by Soviets
	China	40	Il-28	1958-59	
	China	4	Il-28U	1958-59	
	China	20	Shenyang Yak-18	1958-59	
	China	300	Shenyang F-4	1958-60	

Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1959	China	20	MIG-19	1959-60	
		2	Patrol Boats "Artillerist" Type	1959	
1963		2	Minesweeper, "T43" Type	1963	
		9	Motor Torpedo Boat "P4" Type	1963	
1965		14	MIG-21FL	1965	
		15	IL-14	1965	
		3	MIG-21 UTI	1965	
		5	An-24	1965-66	
		100	Su-100	1965-68	
		250	BTR 152	1965-71	
		250	BTR 40	1965-71	
1966		150	PT-76	1966-68	
		21	MIG-21	1966	
		360	SA-2 SAM	1966	
		20	MI-4	1966	
1967		70	T-54/55	1967	
		2	Submarine "W" Class	1967	
		7	Gunboat "MGR" Type	1967	
		3	Torpedo Boats, "PTF" Type	1967	
	China	4	Patrol Boat "Shanghai"	1967	
		18	Torpedo Boat "P4"	1967	
1968		4	Gunboat "TG" Type	1968	
		65	MIG-21	1968-71	
		390	K-13 "Atoll" AAM	1968-71	
		250	T-54/55 Tanks	1968-70	
1971		28	SU-7 FGA	1971	
		40	"Frog-5" SSM	1971	
		3	"Samlet" SSM	1971	
		132	"Styx" ShShm	1971-72	To arm 8 "OSA" Class & 6 "Komar" Class Patrol
Boats		8	Missile Boat, "Osa" Class	1971-72	
		6	Patrol Boat, "Komar" Class	1971-72	
1972		200	SA-7 Missile	1972-73	
		20	Frog 7 Arty Rocket	1972-73	
		50	T-55 Tanks	1972-73	
		2	Submarine "W" Class	1972-73	

Date Order	Supplier	Quantity	Item	Date Delivered	Remarks
1973	China	2	Submarine "Romeo-L"	1973	Coproduced W/China
1974	China	2	Submarine "Romeo-L"	1974	
			T-59 Tanks	1974	
		2	MIG-21MF	1974-78	Latest version license prod. begins '78
		Sqns	Frog-7 SSM	1974	Deployed at est. 2 sites
1975			SS-N-2 "Styx" ShShM	1975	To arm new Missile boats
			Fast Patrol Boats	1975	
		50	T-62s	1975	
	China	3	Submarine "Romeo-L"	1975	
1976	China	2	Submarine "Romeo-L"	1976	
1978			MIG-23?		

\* Supplier is the Soviet Union unless indicated in this column. More often than not, "date ordered" and "number ordered" are not available. Information on arms transfers to North Korea is sketchy and difficult to obtain.

SOURCE: SIPRI Yearbook 1972, p. 137.  
 SIPRI Yearbook 1973, p. 333.  
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